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THE AMERICAN ELEVATOR AND GRAIN TRADE



Established 1882

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Established 1882

PUBLISHED BY
Mitchell Brothers Publishing Co.

A MONTHLY JOURNAL DEVOTED TO THE ELEVATOR AND GRAIN INTERESTS.

One Dollar Per Annum
SINGLE COPIES, 15 CENTS

VOL. XL

431 South Dearborn Street, Chicago, Ill., October 15, 1921

NO. 4

WE ARE PROGRESSIVE ENOUGH
TO BE AGGRESSIVE FOR YOU

McKENNA & DICKEY
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60 BOARD OF TRADE

For your
Business Sake
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The Rookery, Chicago

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New York Stock Exchange
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Chicago Stock Exchange
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Established 1877

LANGENBERG BROS. GRAIN CO.
GRAIN and HAY

We Solicit Your Consignments

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New Orleans

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OF

Clover

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**Timothy
Seed**

Mail Samples for Top Market Bids

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THE ILLINOIS SEED CO.
GRASS SEEDS FIELD

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LETTER

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Specialize in all

GRASS AND FIELD SEEDS

SHIPPERS. Send Samples for Bid.

BUYERS. Ask for samples and prices.

MILWAUKEE, WISCONSIN

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USE IT
ON

GRAIN AND SEEDS

Chicago, Ill.

ENOZ**KILLS MOTHS***Try it—our expense
if not satisfactory*Enoz Chemical Co. (AEGT-10)
705-7 No. Wells St., Chicago.

Ship me 5 gallons Enoz Special Moth Liquid with one Enoz Baby Fountain Spray. I will use it freely. If it does not meet all your claims, I will return it and pay you nothing. If it does meet your claims, I will pay for the 5 gallons Enoz and Spray \$20. F.O.B. Chicago.

Name

Address

Enoz Chemical Co. (AEGT-10)
705-7 No. Wells St., Chicago.

Ship me 6 cans RAT FINIS. I will give it a thorough trial. If not satisfactory I will return remainder to you and pay you nothing. If it does meet your claims I will pay for the 6 cans \$5.00. F. O. B. Chicago.

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Address

Moths and the Weevil have been unusually destructive this year and this has further emphasized how thoroughly ENOZ SPECIAL MOTH LIQUID protects elevators and flour mills from insect ravages. It instantly kills moths and the Weevil without the slightest possibility of injury to operator or equipment.

You can safely follow the lead of hundreds of leading millers and elevator men all over the Country and use ENOZ.

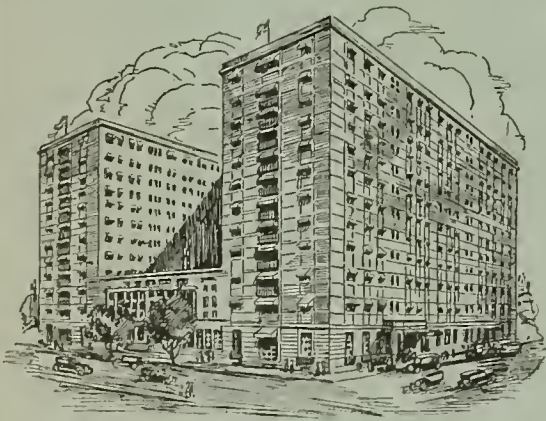
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booklet on mill and elevator
infestation and control. It's Free.*

**RAT FINIS****FINISHES
RATS**

RAT FINIS is all that the name implies. It is a thoroughly efficient poison in paste form, and contains unusually enticing bait. Compounded to eliminate odor if the animal expires in locations difficult to reach. However, invariably after eating Rat Finis they die in the open.

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Tenth St.. 3rd to 4th Aves., MINNEAPOLIS, U. S. A.
Six Blocks From the Chamber of Commerce.

Every Room an Outside Room. Every Room with Private Bath.

**This Hotel Caters to the Grain and Milling
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Average rate for room and bath—\$2.50 single—\$3.50 double.

Entertaining programs are rendered daily during luncheon and dinner hour on the great pipe organ in main restaurant by Dr. Frederic Tristram Egner. Orchestra music daily during dinner hour.

One whole city block of beautiful lobbies, ball rooms, billiard rooms, chocolate shop, beauty shop, barber shop, tailor shop, physical culture and bath department, cigar and news stands, delicatessen shop, etc., are operated in this hotel for the convenience and entertainment of our guests.



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Because they are easy to build, simple in construction, well made and retain their accuracy longer than any scale on the market.

COLUMBIA SCALES are being used by practically every feed, coal, ice and material dealer in Chicago.

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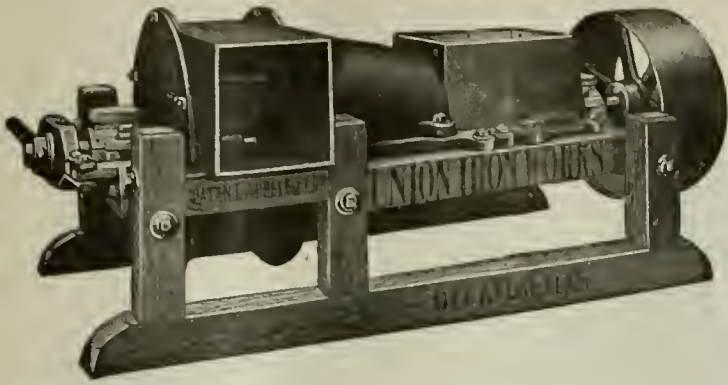
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F. Beuckman & Son, Props.

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Save money and send for list of our guaranteed rebuilt scales. All makes and capacities. Tell us what you want. Let us repair your scales—any make. We also carry parts. Finest equipment for scale work in Chicago.



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WHY EXPERIMENT?

Good grain elevator machinery, that is to say, the serviceable kind, does not come by chance. It cannot be chosen at random as one would pick mushrooms but must be selected with care and discrimination. Good machinery is made in our plant because of the use of proper materials and because skilled mechanics have labored continuously to improve the standard of excellence of grain elevator machinery. For years the name

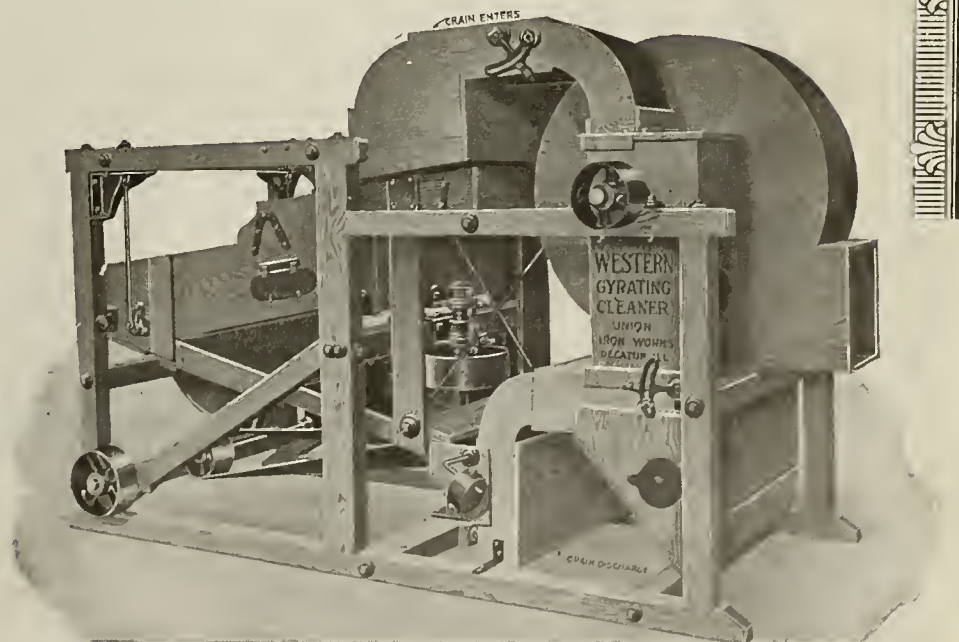
THE WESTERN LINE

has stood for superior quality of material and expert workmanship and in these times when economy must govern in the operation of the plant, and durability in its machinery, the prestige of a name that has stood the test of years is a guarantee to the buyer both of value and satisfaction.

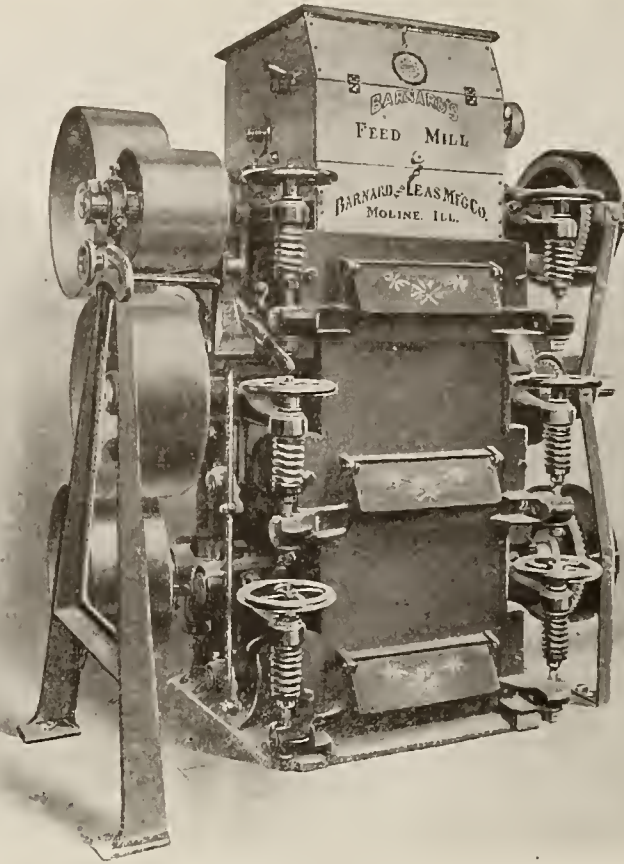
Why experiment when buying your grain elevator machinery?

We have everything for elevator or mill
Send for general catalog No. 27

UNION IRON WORKS
DECATUR -:- -:- ILLINOIS



"Western" Gyrating Cleaner



Barnard's Six-Roller or Three-Pair-High Feed Mill

Prepare Now to Handle Your Portion of This Year's Enormous Feed Business

Unquestionable, a large portion of this year's big corn crop will be ground into feed—if you are not prepared to handle your share of it, now is a good time to install the proper machinery.

We manufacture a full and complete line of Corn Shellers and Cleaners, two, three, four and six roller Feed Mills; Feed Screens, Meal Sifters, etc. Every machine possesses features that are valuable assets—features that are not found in other machines of the same type.

Barnard's Six-Roller or Three-Pair-High Feed Mill, illustrated above, is designed to meet all requirements where large capacity and fine grinding is desired. It is especially adapted for grinding feed, table corn meal, pearl meal, linseed meal, rye or barley.

In operation, the reduction is gradual. The stock, after being fed through the feeder is partly reduced on the first pair of rolls having coarse corrugations. A further reduction is

made on the second or center pair of rolls having finer corrugations. It is then delivered to the last pair of rolls with still finer corrugations, where the finishing reduction is made.

This operation gives you three grindings, but if at any time two reductions only are desired either pair of rolls can be thrown apart far enough to allow the material to pass through without being reduced.

All adjustments are simple and efficient. One movement of a lever attached to a rod connecting the eccentric shaft of each pair of rolls, throws all three pairs of rolls apart at one time. Or, if desired, can be equipped with a separate lever for throwing each pair of rolls apart independently. Coil steel springs permit the rolls to yield in case nails, screws or other hard substances are accidentally fed in with the product to be ground.

These mills are driven with either an all-belt drive or a belt on fast and gears on slow side. Above cut shows a belt and gear drive mill.

Special Bulletin No. 5-M illustrates our complete line; write for it

BARNARD & LEAS MFG. CO.

MILL BUILDERS AND MILL FURNISHERS

ESTABLISHED 1860. MOLINE, ILLINOIS, U.S.A.





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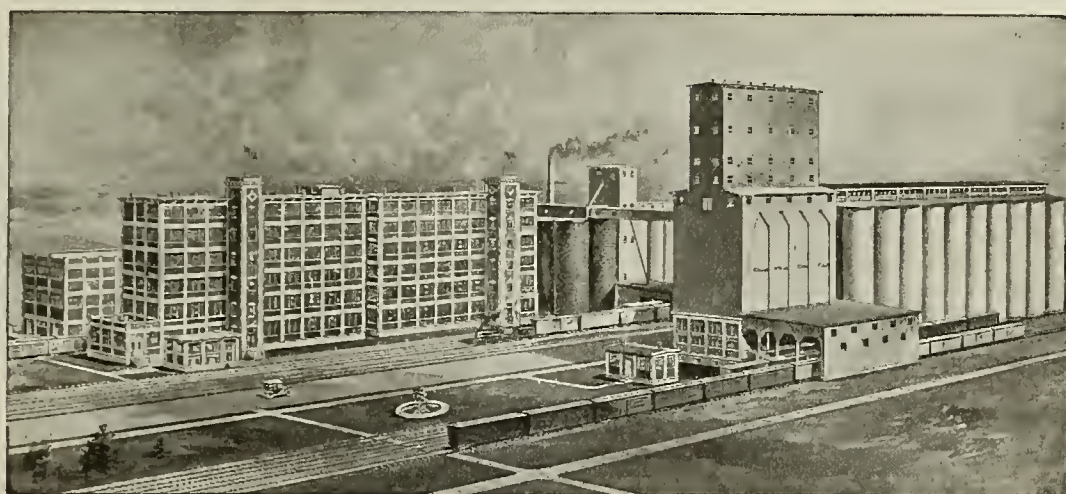
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FOR THE LARGE AND SMALL ELEVATOR AND MILL

Endurance is the Test of Quality

WELLER MADE EQUIPMENT STANDS THE TEST

Plant of the
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Equipped With
Weller-Made
Elevating and
Conveying
Machinery

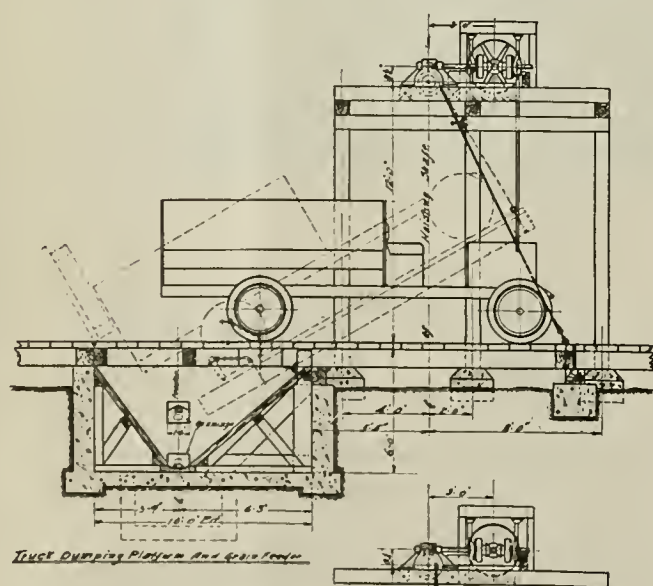
Most of the large and a great number of the small elevators and mills built in the past thirty years are equipped with Weller-Made Machinery—it is a matter of pride with us that many of our customers who, when starting, bought of us, when they were ready to expand specified for equipment made by Weller.

We design and make a complete line of Elevating, Conveying and Power Transmitting Machinery adapted to the handling of Grain, Coal, Etc.

You are invited to correspond with us about your equipment needs. Our engineering department is able to render most satisfactory service with layouts and suggestions and to carry out your wishes.

Catalogue "M" Grain Elevators—Sent on Request.

WELLER TRUCK AND WAGON DUMP



Can be installed in any elevator.

Does not require the services of an expert; anyone familiar with tools and machinery can build the frame and install the lift.

Once erected it requires very little attention.

All the mechanism is overhead in full view of the operator at all times.

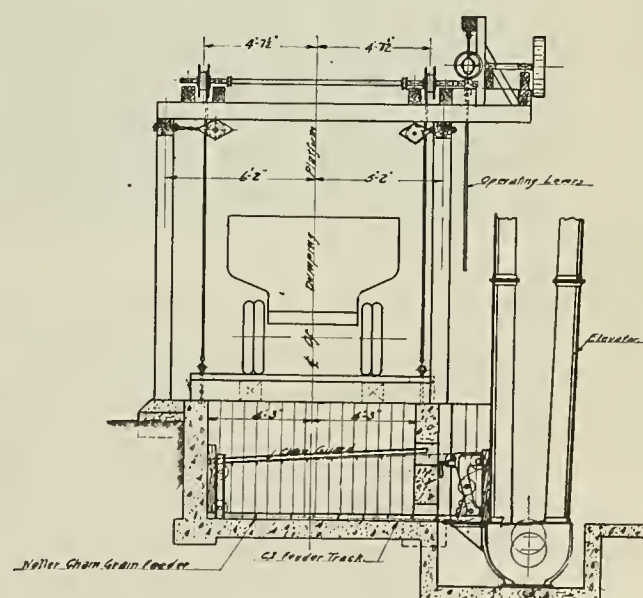
Easily controlled.

Worm gear on hoisting shaft gives positive lock at any point of lift.

No brakes; no air chambers; no hydraulic pumps.

Can be attached to line shafting, operated by motor, gas engine or arranged for hand power.

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Indianapolis is known as the largest inland railroad city in the country and is the natural destination for shipments of grain from Indiana, Illinois, Ohio, Michigan, Wisconsin and states adjoining.

Its geographical location together with its railroads radiating to all sections of the country, makes it a logical outlet and distributing point to the East, South and Southeast.

These splendid railroad facilities assure quick handling of shipments with prompt returns on same.

Indianapolis also takes a natural



The Indianapolis Board of Trade

pride in having the largest corn mills in the country which, together with its flour mills and vast array of manufacturing industries, creates an exceedingly large local consumption of wheat, corn, oats, rye and hay annually.

This local and foreign demand makes for top prices on all shipments.

The market's adequate weighing facilities, its efficient inspection department, and increased elevator storage and drying equipment makes Indianapolis more and more important each season as a market for shippers and buyers of grain, hay and feeds.

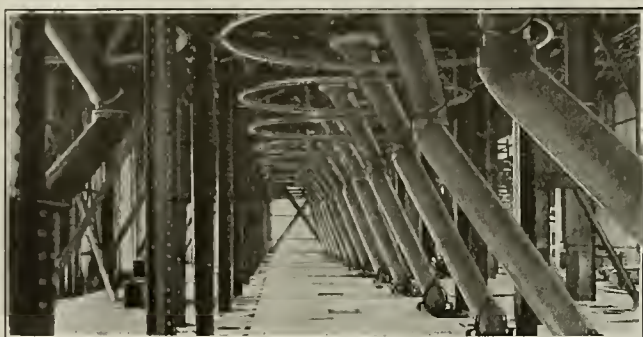
Route your grain and hay to any of the following firms, all devoted to your interests and all members of the

INDIANAPOLIS BOARD OF TRADE

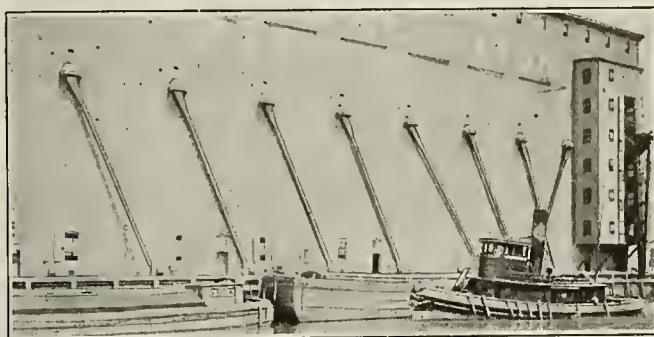
ANDERSON & MERCER, Grain Commission
BINGHAM-HEWETT-SCHOLL CO., Grain Merchants
BERT A. BOYD GRAIN CO., Grain Commission
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HEINMILLER GRAIN CO., Receivers and Shippers
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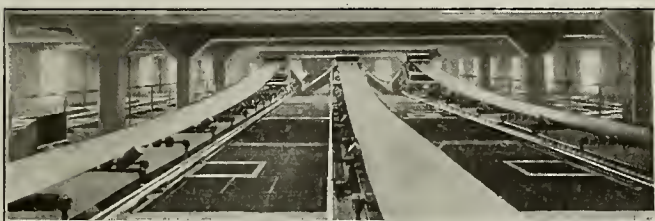
WEBSTER GRAIN ELEVATOR EQUIPMENT



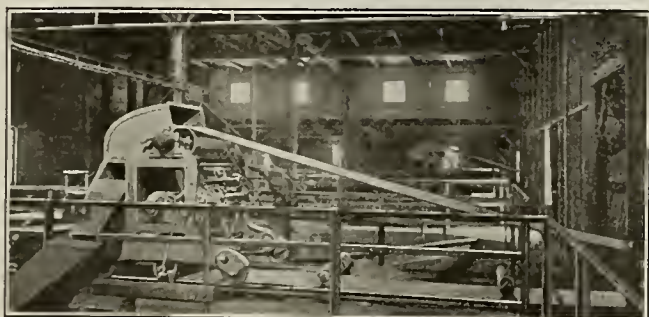
Spouting Machinery



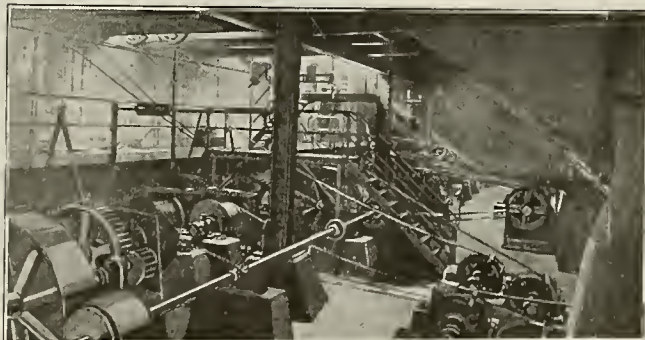
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Belt Conveyor



Tripping Equipment



Car Pullers

When You Specify
WEBSTER GRAIN ELEVATOR EQUIPMENT

You May Feel Confident That You
Are Buying Machinery That Will
Give Sustained, Efficient Service
at Low Operating Cost.

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CINCINNATI

THE GATEWAY TO THE SOUTH AND EAST

Has the "square deal" plugging system for hay.

Has reconsignment and transit privileges and other favorable points which insures most successful handling of grain or hay shipments.



Home of the Cincinnati Grain and Hay Exchange

Is the terminal point for 200,000 miles of railways and therefore a convenient shipping point for the country dealer, and local buyers are enabled to distribute all products quickly and to best advantage. Has weighing and inspection service second to none and up-to-date grain and hay merchants constantly safeguarding their patrons' interests.

Those are just a few of the reasons why you should ship your Grain and Hay to Cincinnati. Ship to any of the following responsible grain and hay firms, all members of the

Cincinnati Grain & Hay Exchange

A. BENDER, Flour, Grain and Feeds

BINGHAM-SCHOLL GRAIN CO., Grain Exclusively

BROUSE-SKIDMORE GRAIN CO., Grain, Hay, Feed

BLUMENTHAL, MAX, Grain and Feed

THE D. O. CROSS CO., Grain, Hay, Mill Feeds

DE MOLET GRAIN CO., Grain and Hay

SMITH, EDW. A., Receiver and Shipper of Hay

EARLY & DANIEL CO., Hay, Grain, Feed

FITZGERALD BROS. CO., Grain and Hay

GALE GRAIN CO., THE A. C., Grain and Hay

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MUTUAL COMMISSION COMPANY, Strictly Commission

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A TIMELY SUGGESTION

A MARKET to take care of your various needs—

A MARKET where you may sell your products—your wheat, corn, oats, barley, rye, seeds, hay, etc., receive the highest price, get the benefit of an excellent inspection and weighing service; where the usual and necessary time required for switching, unloading and final accounting for the property is reduced to a minimum—

A MARKET where you may buy your requirements in the grain, seed or hay line; or in the form of the manufactured goods, flour—wheat or rye—corn products of all kinds, oatmeal and malt products—

A MARKET where you can place your orders for the purchase and sale of “futures”, where hedging transactions are carefully and promptly executed—
—SUCH A MARKET is

MILWAUKEE

And any information you wish will be supplied by
THE MILWAUKEE CHAMBER OF COMMERCE

CONVEYING, ELEVATING, POWER TRANSMISSION MACHINERY and COMPLETE GRAIN ELEVATOR EQUIPMENT

Including the Well Known

UNITED STATES CORN SHELLERS
UNITED STATES GRAIN CLEANERS

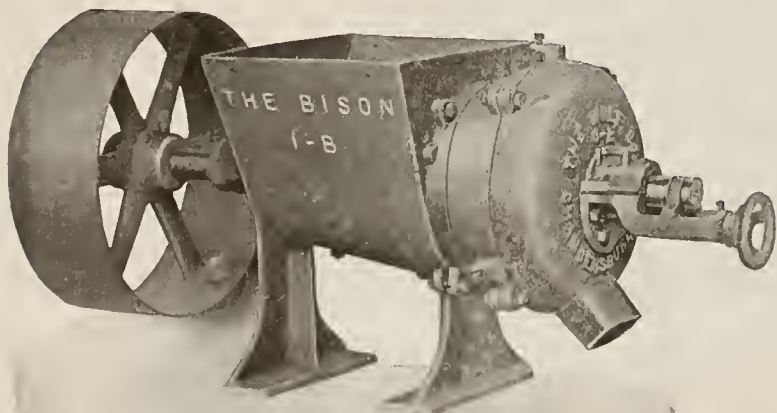
Which are unsurpassed in machines of this character.

U. S. Quality Best

U. S. Prices Lowest

THE B. S. CONSTANT MFG. CO.
BLOOMINGTON, ILL.

GRIND CORN FOR PROFIT



The Bison Corn and Cob Crusher

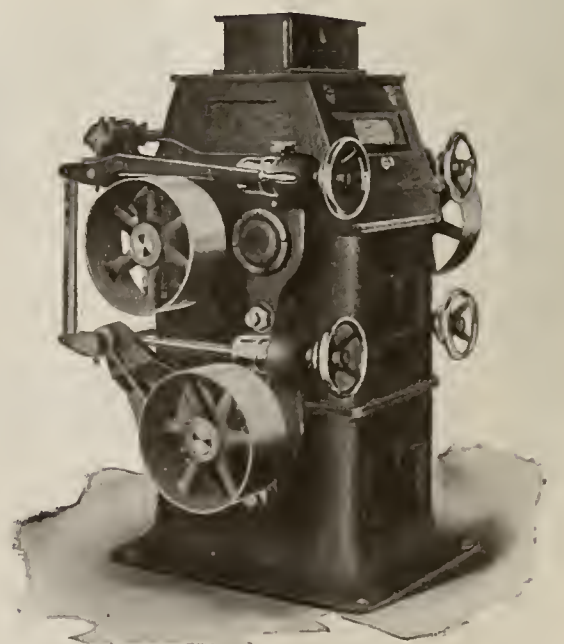
Low price of grain increases the consumption of feeds. Dairymen and stock raisers are feeding greater quantities of grain and they much prefer to have their own grain ground or buy wheat which they know is not full of noxious weed seeds which may pollute their land.

This heavy demand is being met by Elevator men and millers who have installed small equipment and grind feed at slack times in the elevator. No need to have the elevator help idle—use every moment to advantage.

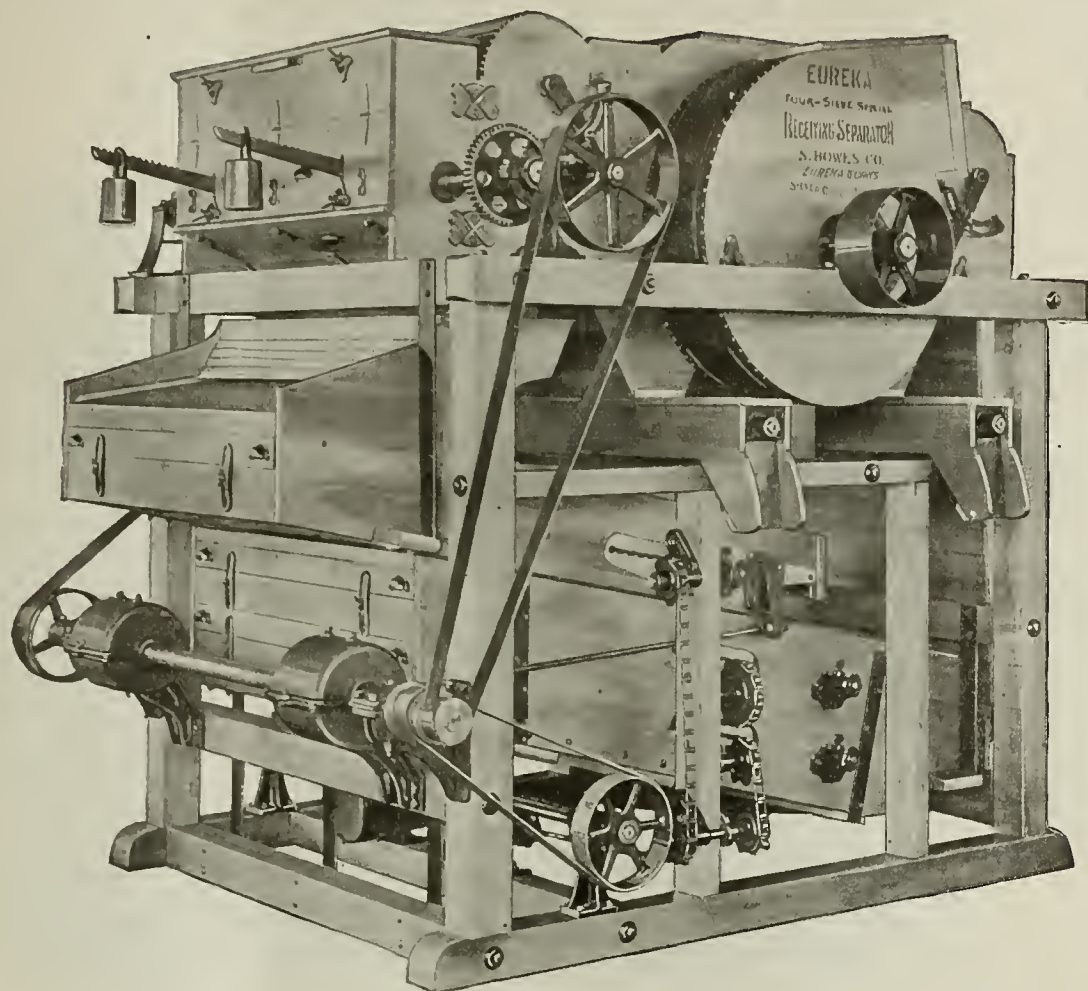
A good Corn and Cob Crusher and a Two Pair High Roller Feed Mill will serve you abundantly and profitably. Get Bulletins 113-M and 116-M and our greatly reduced prices.

THE WOLF COMPANY

Mill Building Headquarters
CHAMBERSBURG, PA.



The Wolf Two Pair High Feed Mill
(Four Rolls)



With the instant Brush Take-down, Brushes can, in four seconds, be dropped from one side of the machine.

A TRULY MAGNIFICENT CLEANING MACHINE

is this



"EUREKA"



More can naturally be expected of it—better and more precise separations, both by air and sieves—because we provide the mechanical means,—features unique, many of them, to assist the operator to do exactly what he wishes to accomplish.

When you hear a man say: "I can clean my grain right now," you will understand that that man bought a "Eureka" Four Sieve Special Receiving Separator.

New Lists now ready

S. HOWES CO., Inc.

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SILVER CREEK, N. Y.

European Branch: 64 Mark Lane, London, Eng.

McMILLIN TRUCK AND WAGON DUMP

In most all sections a part of the grain is being delivered to the grain elevator by Truck. Unless such elevators are provided with some means for handling the truck it becomes necessary for the elevator operator to shovel the grain out of the truck since the truck driver feels that it is a grain

man's place to take care of his grain. This being a slow proposition a truck man objects to the time lost in this way of unloading, since in a day's hauling the truck man will lose quite a little time. This causes them to call for a better means of unloading. The elevator

man also loses time and holds up other grain while unloading the truck.

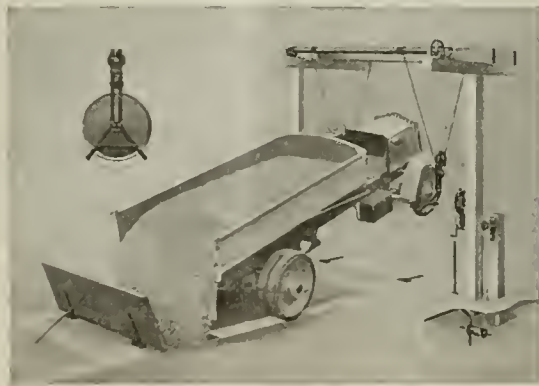
There is also more or less trouble caused from the long coupled wide bed wagons which are very convenient for the farmers to load, but the coupling of such wagons are too long to be handled on the ordinary drop dump. This truck and wagon dump overcomes all of the above difficulties and in addition will handle the standard short coupled wagons.

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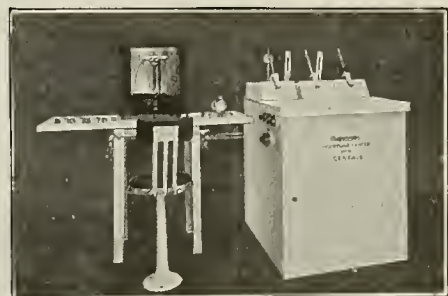
Indianapolis, Indiana



Accurate MOISTURE TEST in 15 MINUTES

THE MOJONNIER MOISTURE TESTER for Cereals is based upon an exact gravimetric method of testing cereals or cereal products for moisture and makes test in one-twentieth time usually required for this determination. Now in use in several plants.

As simple to operate as an automobile, and as positive in action. Built for a life time of service. Soon pays for itself through savings effected by actual technical control of moisture in all products handled. Write for descriptive leaflet



Mojonnier Moisture Tester Process and Apparatus Patented.

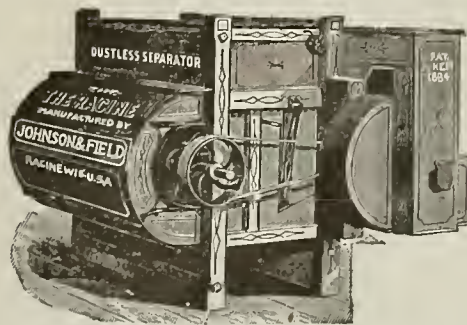
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Sales Branches: New York, Atlanta, St. Louis, Seattle

—THE RACINE DUSTLESS SEPARATOR—



YOUR PROFITS

CAN BE INCREASED IF
YOU RUN YOUR GRAIN
OVER OUR

Dustless Grain and Seed Separator

Special Screens for All Kinds
of Grain

Our Machines have probably brought higher grades to more country grain shippers than all other makes combined, saving the cost of each Machine many times in a season.

Write for prices on the "RACINE" line of grain cleaners

JOHNSON & FIELD MFG. CO., Racine, Wis.



400,000 BUSHEL ELEVATOR

FOR

Postum Cereal Co.

Battle Creek, Mich.

MAKERS OF

POST TOASTIES, POSTUM CEREAL
AND GRAPENUTS

"There's A Reason"

Macdonald Engineering Company

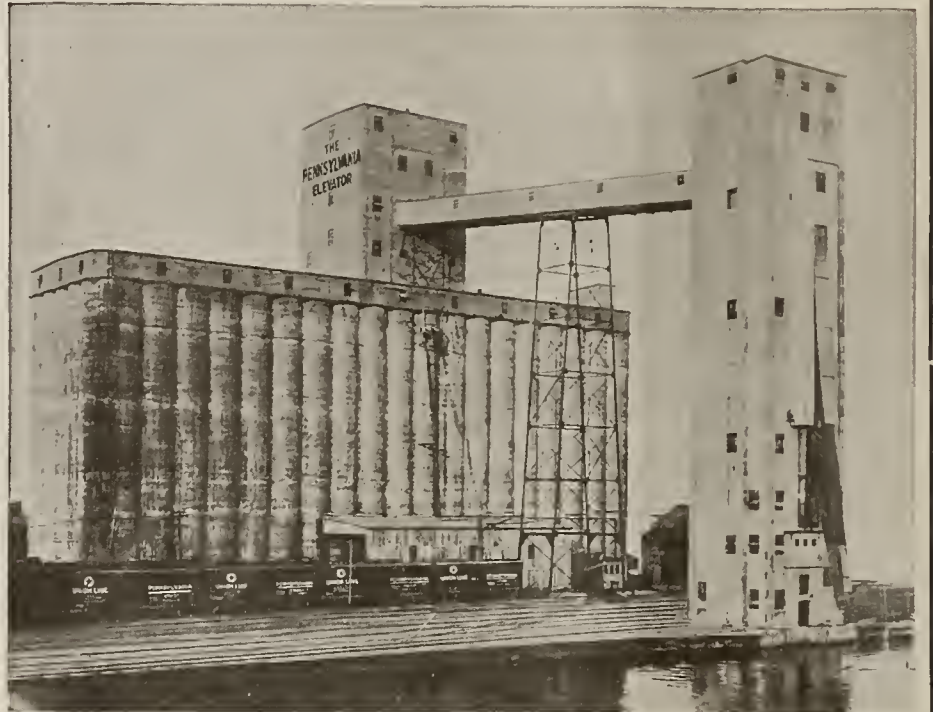
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Tower. Reinforced Concrete. Latest improvements. Write us for
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CONSULTING ENGINEER

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COMPLETE

National Life Building

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Grain Driers, General Overhauling and Improvements

BALLINGER & McALLISTER

CONTRACTORS - DESIGNERS

Grain Elevators

Ear-Corn Plants

COMPLETE

Locust Street Viaduct

Bloomington, Ill.

ARE YOU WORRIED

about the condition of that grain in your bins?

Let us equip your storage with a

Zeleny Thermometer System

to tell you the exact condition of
the grain and cut out the worry*Over 100 Elevators Equipped*

Write for Description

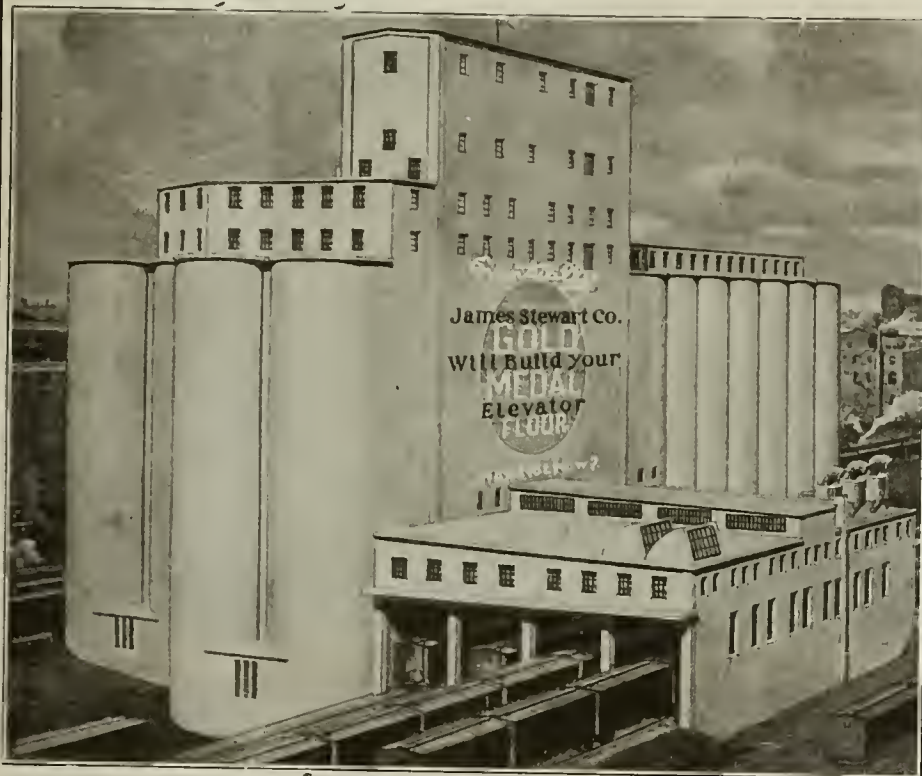
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TWO MILLION BUSHEL FIRE PROOF
RECEIVING ELEVATOR

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Washburn-Crosby Company
Minneapolis, Minn.

"We have built for many of your friends.
Eventually we will build for you. Why not now?"

We Design and Build Elevators, any type of Construction, in any part of the World.

JAMES STEWART & CO., Inc.

GRAIN ELEVATOR DEPARTMENT

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CHICAGO, ILL.

W. R. SINKS, Manager

THE POLK SYSTEM

All-steel machines for all kinds of
CIRCULAR CONCRETE CONSTRUCTIONWe contract grain storages, water
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Randolph Grain Driers
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Designers and Builders of

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structed at Superior, Wisconsin, for the Allouez
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Minneapolis, Minn.

Duluth, Minn.

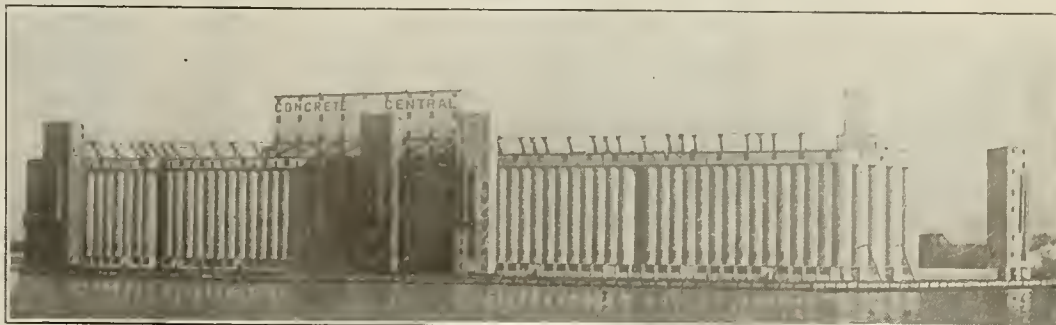
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Built Elevators
Assure You
Economical Design
First Class Work
Efficient Operation
and
Satisfaction
Let Us Submit
Designs and Prices

One of the Modern Houses Which Has Made a Record
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CONCRETE CENTRAL, BUFFALO, 4,500,000 Bu.



MONARCH ENGINEERING CO.

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John S. Metcalf Co.

Grain Elevator Engineers

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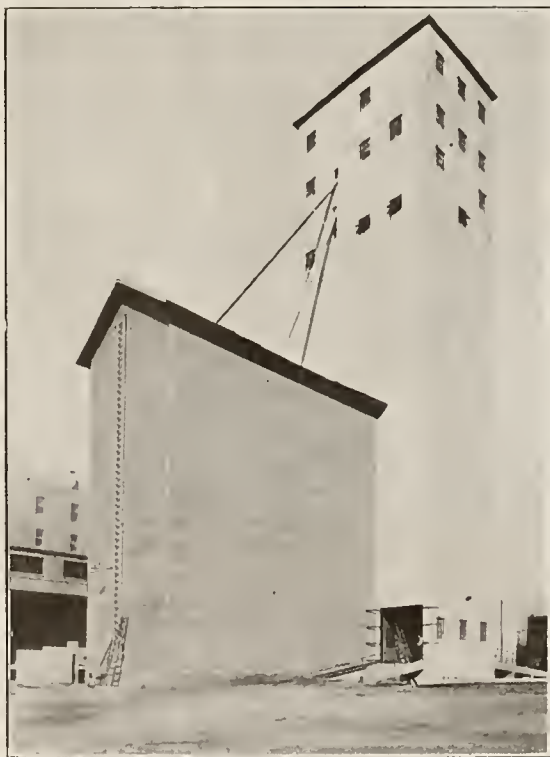
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BE PREPARED Build Your New Elevator Now

Up-to-date elevator facilities are required all over the country and now is an ideal time to go ahead with elevator construction. Building costs in this line of work have declined to such an extent that it is now possible to erect a modern GRAIN ELEVATOR combining permanent and fireproof qualities at a very reasonable outlay. Write us for estimates.

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Specialists in Grain Elevator Building
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THE WORLD'S LARGEST ELEVATORS USE THIS BRUSH

For sweeping grain cars and elevators, the STAR BRUSH has no equal. Made of stiff selected fibre, 5 inches long. Guaranteed to outwear four or five corn brooms and do cleaner and faster work. Built on hardwood block 14 inches wide and flared to an 18-inch sweep. Largest elevators in Minneapolis, Duluth, Port Arthur and Ft. William now use this brush exclusively.

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422-424 South Fourth Street MINNEAPOLIS

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For Grain Cleaners

ALL STEEL

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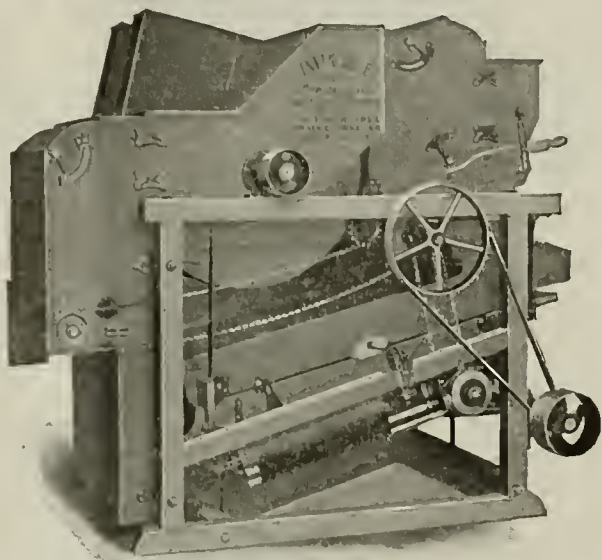


The Knickerbocker Company

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Measured by bushels of grain cleaned and the amount of Screenings removed, an INVINCIBLE Receiving Separator is absolutely indispensable. It is a wise investment.



The INVINCIBLE Compound Shake Double Receiving Separator.

The Separator INVINCIBLE

In use in every country on the face of the globe where grain is used.

Sixteen sizes—Fifty to five-thousand bushels hourly capacity.

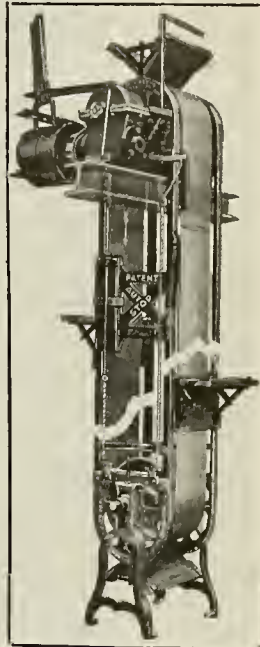
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Humphrey Elevator

Make no mistake—be sure you install the original and genuine Humphrey Elevator in your mill, elevator or factory. It is proven tried and true by 34 years of use. It has had paid to it the sincerest flattery of being widely imitated.

The Humphrey, though imitated, has never been equalled. With its Automatic Stop Device, its Electric Silent Chain Drive, and its honest material and workmanship throughout, renders a satisfying service that cannot be duplicated.



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Gives you authentic printed records of every load. Provides your customers with an exact duplicate. Adds to the feeling of confidence between you. Protects your profits. Increases your business. Can be put on any Fairbanks, Wagon, Stock or Auto Truck Scale.

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The Bauer
COSTS LESS PER HOUR

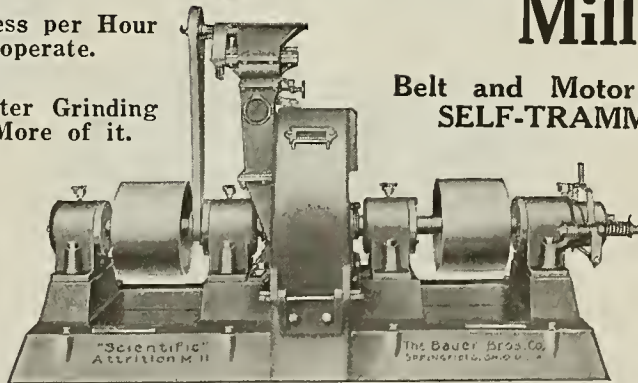
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Attrition Mills

Cost Less per Hour to operate.

Do Better Grinding and More of it.

Belt and Motor Driven
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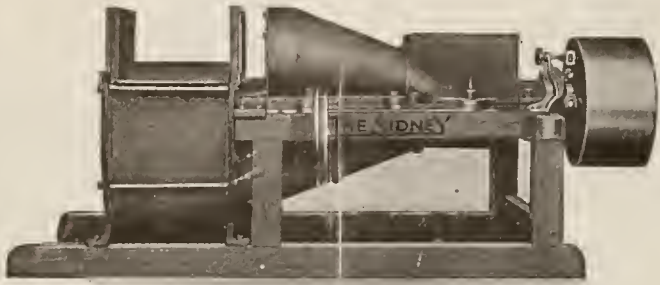
The Bauer Belt-Driven Ball-Bearing Attrition Mill

Accessible Interior. Special Plates furnished for every class of grinding. Time and Labor-Saving Devices not found on other mills.

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When you neglect to install the best machine of its character in the elevator you invite future trouble and loss of time.

**THEREFORE ORDER THE
Sidney Combined Sheller and Boot
Without Take-Ups on Boot**

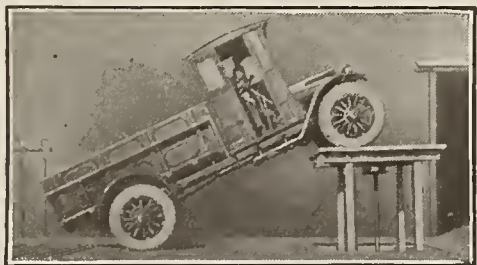
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Manufacturers of the SIDNEY LINE, which includes all the machinery necessary to equip the elevator from pit to cupola.

The Trapp Dump is the One Pre-Eminently Successful Dumping System—

If you send in your order for this modern high grade equipment you will get the dump that will always work to perfection.



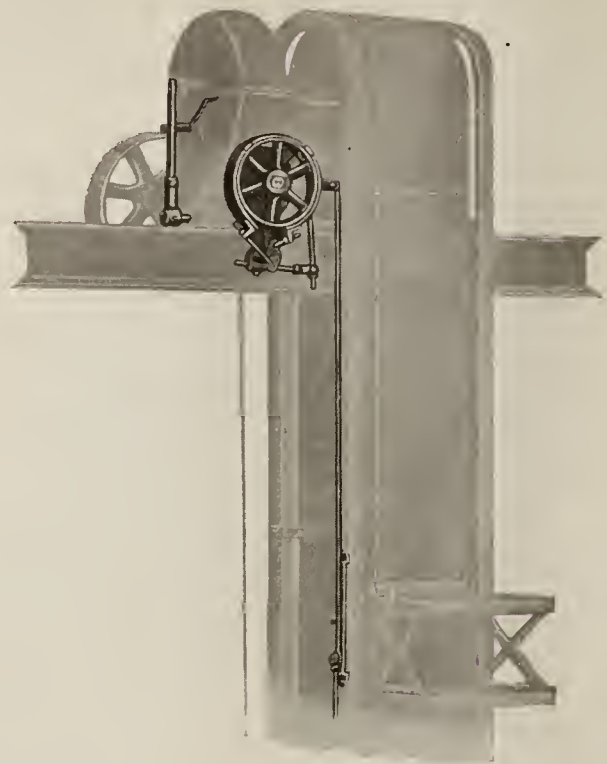
The Trapp Dump-lift is a horizontal platform, which rises vertically and elevates the front ends of the vehicles in order to dump the grain. The lift-platform is held firm by our special interlocking gears—this system absolutely eliminates any possibility of "Binding."

No ball bearings or inclined platforms are used with Trapp Dumps; as we tried out and discarded all impractical features long ago, during the early experimental period.

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WITH the upper terminal automatic stop in operation there is no danger of being carried overhead and injured. The weight of the passenger after the top floor is reached automatically throws a lever, shutting off the power and applying the brake, thereby locking the belt and steps against movement in either direction.

The automatic stop mechanism furnished with the Nordyke & Marmon Company service elevator adds the vital feature of safety to the elevator's other excellent qualities of reliability and utility.

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Established 1851

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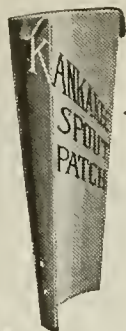
DO YOU KNOW THAT 65%

Of all fire losses on mills and elevators occur at night? Careful inspection of property before locking up is essential to fire prevention.

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Western Millers Mutual Fire Ins. Co.,
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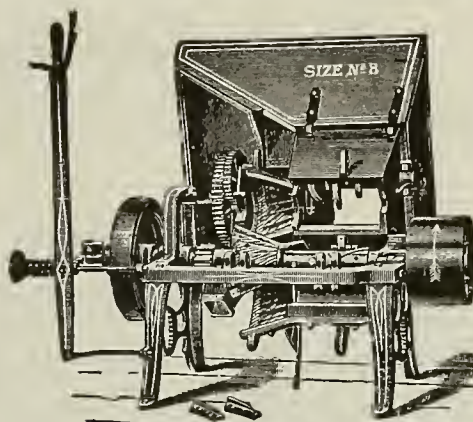
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Make Feed Grinding More Profitable!

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Mills do this



Because their large capacity, cone-shaped grinders and positive self ear feeders are properly designed to direct every ounce of power energy to the actual reduction of the grain.

Crush and Grind ear corn, husked or unhusked, alone or mixed with any kind of small grain in any desired proportion. Reduce the material to any fineness desired for feeding purposes.

11 Sizes, 2 to 25 H.P.

Sold with or without Sacking Elevator.

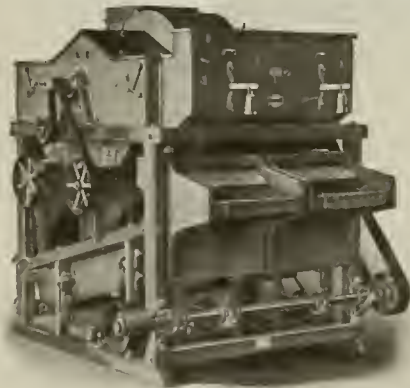
Mill opens like this in six minutes.

The N. P. Bowsher Co., South Bend, Ind.

For unlimited profits and for greatest efficiency in your mill or elevator, install

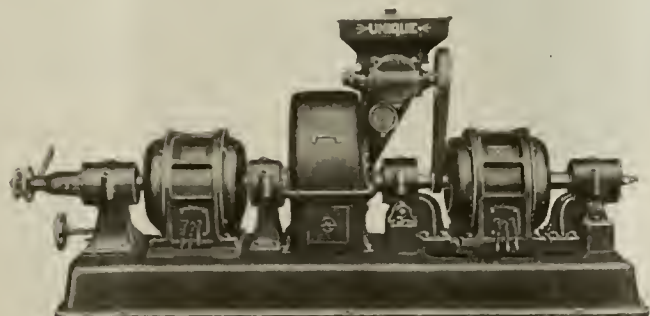
Unique Milling Machinery

RECEIVING SEPARATOR



This machine will save its cost in a short time by removing sticks, straws, stones, fine seeds, sand, etc., from the grain as it is brought to your plant, thereby saving the price you would be paying for good, clean grain.

All modern improvements and conveniences are incorporated in this UNIQUE Machine and it will operate efficiently at all times. Operator can conveniently change sieves to suit the product being received.



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Cyclone Dust Collector

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Complete new systems installed on modern plans and guaranteed. Old systems remodeled on modern lines on most economical plans. Supplementary systems added where present systems are outgrown. Defective systems corrected and put in proper working order.

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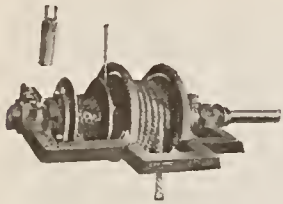
Also known as Dazey-Moore Elevator

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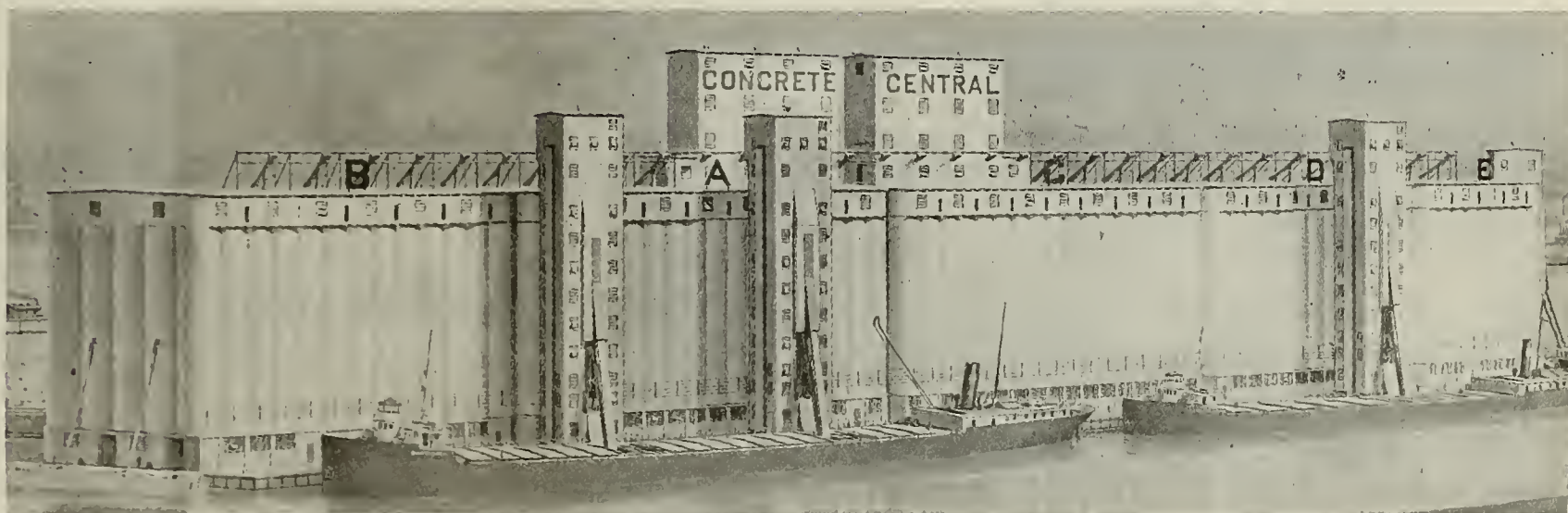
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Owners of 5,000,000 Bushels Elevator Storage Capacity All Fire Proof

Concrete Elevator
Capacity 2,000,000 Bushels

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Capacity 500,000 Bushels

Located on Buffalo River. Can unload grain from lake vessels, canal boats, or all rail cars and load to vessels, canal boats and cars via all railroads.

Largest and fastest all-rail grain transfer elevator at Buffalo. Can unload grain arriving via all railroads.

No Switching Charges to and from These Elevators

You'll Do Bet

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Born 1846—Still Going

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**THE EAST SIDE
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TOLEDO, OHIO

Toledo's public elevator, handling all
grades of grain by vessel, rail or wagon,
in and out.

A practical and convenient storage plant
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Wheat - Corn - Oats - Barley

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Port Covington Elevator of the Western Md. R. R. at Baltimore, for the enlargement of which contracts were awarded on August 30th. The improvements and additions to be made include the doubling of the work-house capacity; an extension of the loading gallery by some 260 feet; the construction of Annex No. 3 and Annex No. 4, providing 54 additional concrete storage bins which will bring the total capacity of Port Covington Elevator up to 3,600,000 bushels. It is the aim of the Western Maryland authorities to make this house the most efficient elevator in the United States, and the pending additions will insure its being the largest export elevator.

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When You Consign Your Grain and Seed to
Us, Superior Service is Yours Based Upon
Twenty-five Years Experience.

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*Wire, Phone or Write Us Whenever You
Are in the Market for Grain.*

Our modern elevator is located on tracks
jointly owned by all rail lines entering Mil-
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P. C. KAMM COMPANY

GRAIN MERCHANTS
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Offices:
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For SERVICE that is UNSURPASSED

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TRACK BUYERS OF CAR LOT GRAIN

Specialists Dealing in Clover, Timothy
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An old, well-established firm, operating a
chain of elevators and seed cleaning plant,
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QUALITY

SERVICE

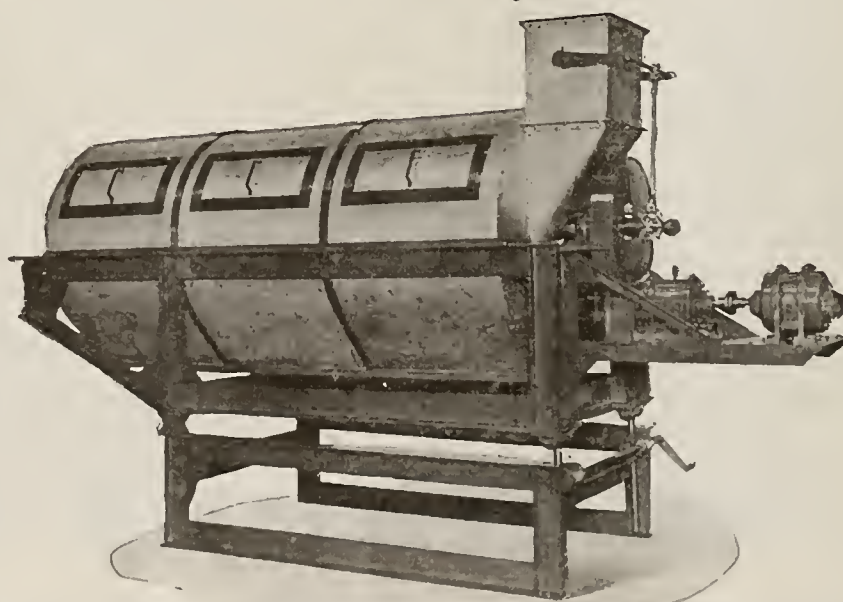
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Q Receivers
and shippers
of GRAIN

The ELLIS ROTARY DRIER

Ball Bearing



We illustrate an Ellis Rotary Drier, Type "B," specially constructed with automatic feeding device, direct drive and adjusting screws for the purpose of quickly and easily changing the rate of flow. The drier is also equipped with a direct connected exhaust fan unit to remove the steam and vapor. Quotations on request.

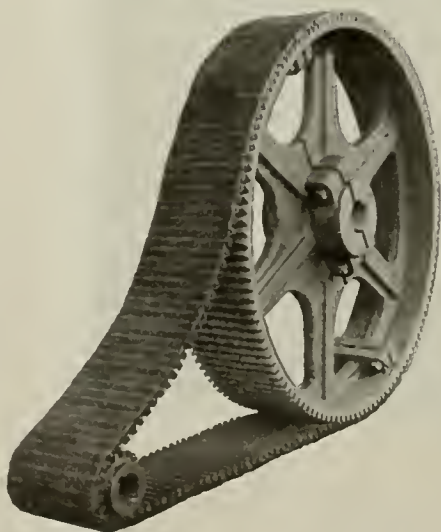
The Ellis Drier Co., Roosevelt Road & Talman Ave., Chicago, U. S. A.

Sperry Engineers Select Morse Chain for Service

WHEN Oliver Evans first used a bucket elevator for lofting grain, the power was produced by a man working a bellows tread. A rope attached to the tread was reeved over two pulleys on the headshaft of the elevator; the down pressure of the tread tightened the rope and turned the pulleys, the rope slipping in the sheave when the pressure was relieved. This laborious method was a long step in advance over former methods, which consisted of hauling a sack of grain up by a block and tackle, or carrying it up by hand. In fact Oliver Evans is the father of all modern grain handling and milling practices. He equipped the first automatic mill which was located in eastern Pennsylvania. It was run by water power, the transmission being by wooden gears. The grain and milling stock was handled by elevators and screw conveyors, both of which he applied to grain handling for the first time. He invited his neighbor millers along the Brandywine to come and inspect his automatic mill. They came to scoff, but remained to marvel, all except one old Quaker, who looked it all over and then went up to the proprietor, exclaiming vehemently, "I tell thee, Oliver, it cannot be." A short time later another miller stepped in to see Mr. Evans. He was nowhere about but the mill was grinding away merrily. The visitor took one hasty look around, saw he was alone, and ran for his life, certain that the mill was bewitched.

Advanced as the Evans' power transmission was over that of his predecessors it was still farther removed from the latest developments, exemplified in the Ogden, Utah, elevator of the Sperry Flour Company, by Morse Silent Chain Drives.

The Sperry Flour Company has been in business on the West Coast ever since the gold rush. It has built innumerable mills and elevators and in every stage of its development has been noted for its progressive methods, and the ultra-modern equipment used in its plants. First cost is always of less consideration than ultimate cost, and an engineer, to bid successfully, must be prepared to demonstrate economy of operation and high efficiency for



A MODERN MORSE SILENT CHAIN DRIVE

the life of the plant. The engineering department of the company checks carefully every working part, so that the equipment of the Ogden plant, completed in the fall of 1919, can be taken as being as nearly standardized as human frailty and prejudice makes possible. In the calculation of the Sperry engineers, prejudice plays no part. Results are tabulated from actual performance, and the next order is placed accordingly.

The Ogden elevator was de-

signed and constructed by M. C. Couchot, consulting engineer for the Sperry Flour Company. It is of concrete and steel construction, with a capacity of 700,000 bushels, divided between the bins in the head house, which is 52x48 feet on the ground plan and 165 feet high, and the eighteen circular storage bins, 23 feet 6 inches in diameter and 90 feet high, with the interstice bins.

There are two receiving pits for cars. Car pullers bring the cars into position and power shovels empty the grain into the pits. Two belt conveyors carry the grain from the pits to the elevator boots; two others distribute the grain to the tanks; and another pair carry it back to the head house un-

grades the seeds, taking out the small weed seeds from the broken wheat, oats, cheat, etc., so that the screenings can be disposed of to the best possible advantage.

The elevator is run by electric power furnished by a central station. There are 22 motors ranging from five to 40 horsepower. Centralized electric control and intercommunication systems are features of the plant.

The power throughout the plant is carried to the conveying machinery by Morse Silent Chain Drives. These drives are used on five elevator legs, six belt conveyors and one screw conveyor, varying in size from 40 horsepower on the main elevator head, to



NEW ELEVATOR OF THE SPERRY FLOUR COMPANY AT OGDEN, UTAH

derground. In all there are about 1,200 feet of belt conveyors in the plant.

Grain cleaning is an important part of the routine work of the elevator and the house is equipped to clean 5,200 bushels of grain an hour. There are two 200-bushel Niagara Grain Cleaners and one Niagara Clipper, made by the Richmond Manufacturing Company. Practically all the grain received passes through the cleaning process before being sent to the bins.

Three scales take care of the elevator weights: One 2,000-bushel Fairbanks and two automatic scales. All the spouting in the house is metal, and there is an air suction at each point where grain falls, connected with a dust collection system. In addition, there is a screenings separator which

one horsepower on the screw conveyor. All of the drives are on short centers which gives the greatest economy in space at points where economy is most desired.

The choice of Morse Drives was the result of a thorough trial in the Vallejo and other plants operated by the company, in which the drives were tested under the greatest variety of conditions. In all of these tests the superiority of the Morse Drive was so thoroughly demonstrated that other transmission service in the new plant was scarcely considered. The conditions under which transmission operates in California are about as severe as could be expected anywhere. One of the most difficult handicaps to ordinary drives is extreme variation in humidity. Both rope and belt drives suffer from

this cause, but Morse Silent Chain Drives operate under any condition at highest efficiency. They give dependable service always; that is what has made them supreme in the transmission field.—Advertisement.

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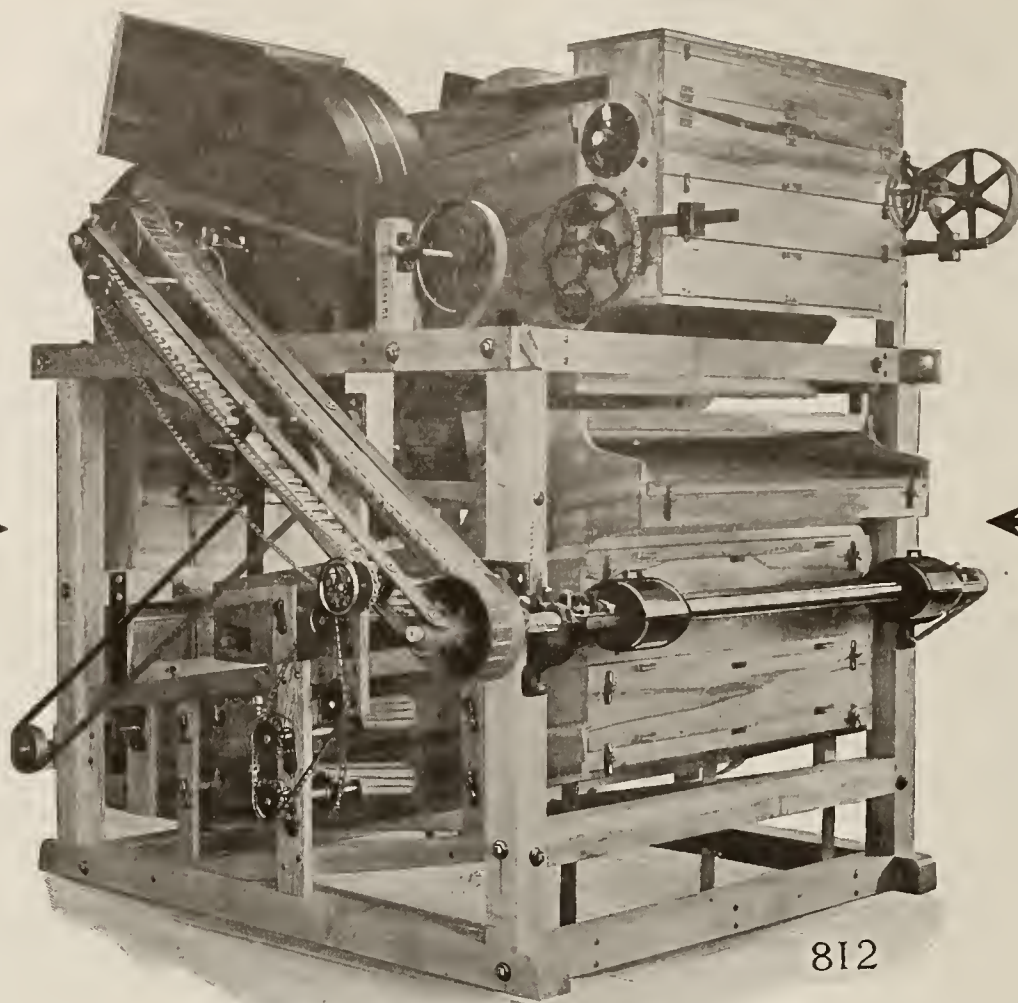
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A monthly journal
devoted to the elevator
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Official paper of the
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Established in 1882.

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NO. 4

The Midland Elevators at Idaho Falls

Idaho Branch of the Colorado Milling and Elevator Company is Operating with Every Prospect of a Prosperous Future

EMPIRES that have dominated the world have been smaller in area than many of our western states. Those old world nations may have been self-supporting in their cereal production with an acreage far less than is present, actually or potentially, in some of our sparsely settled commonwealths, and yet we in the grain trade pay but little attention to the grain output of such states in the West, because their yield is such a small proportion of that of the country as a whole. Idaho, for instance, usually figures in the statistical reports among "All other states". And yet Idaho raises more wheat than the three Scandinavian countries combined; twice as much as Belgium; and three times as much as the Netherlands, and still you could lose Idaho's entire population in the principal city of any of those countries. Idaho raises over 30,000,000 bushels of the principal grains and ranks among the leading states in Clover seed production, to say nothing of apples, hay and potatoes, each of which it produces far in excess of its own needs.

The Colorado Milling & Elevator Company of Denver, Colo., thought that the state needed a new elevator. It is by no means over supplied, and the volume of

grain now grown does not begin to measure the ultimate yield of the state. Acting on the thought, a contract was placed with the Burrell Engineering & Construction Company for a modern concrete elevator at Idaho Falls. This house was to fulfill a two-fold purpose. It would supply a local need and provides a profitable investment on its own account, and would also help supply the wheat needs of the milling company. Idaho wheat takes a back seat to that of no state in the Union, and to have a dependable reserve is worth much to the milling concern, for though the company has many elevators and sells large quantities of grain, its chief interest is milling.

The Idaho Falls house is called the Midland Elevators. There is a reason for the plural title. Although the plant is actually but one building, it is

designed for two separate and distinct purposes and its operations are kept apart.

The elevator consists of two headhouses separated by storage bins. There are four circular bins 20 feet 6 inches in diameter, and two circular bins 17 feet 6 inches in diameter. These are all spread apart to make room for several interstice bins. The bins are 115 feet in height above the base of rail, the circular bins resting on the foundation slab while the interstice bins are all overhead above the first floor. In all there are 26 bins in the plant. Running the full length of the structure is a cupola 24 feet wide and 12 feet high with a penthouse at each end 17½ feet high, giving room for the

on these stairs with doors leading into the building. The entire structure is well supplied with windows, so that in case of an incipient dust explosion, dangerous or destructive pressures would not be built up in the house, the windows giving easy means of relief.

The designers of the plant evidently kept in mind the lessons learned from recent dust explosions, for every precaution has been taken to guard against fires or explosions, or to minimize their effect should one occur. All of the elevator heads are supplied with Buffalo Fans which blow the dust into the dust collectors, and there are vents for the relief of pressure at various places of greatest danger.

The grain received by wagon from the rich grain ranches adjacent to Idaho Falls, is dumped into a double receiving sink from which it is spouted by gravity to the boot of the receiving leg. It is then elevated and distributed by means of a spout distributing system at the head of the house.

When received by the car, the grain is shoveled into the receiving hopper and from there is conveyed through a 12-inch screw conveyor to the lofting leg. It is elevated and distributed by a distributing system similar to that employed on the wagon side.

For shipment, the grain moves by gravity from the overhead bins and tanks into a 12-inch screw conveyor which carries it to the shipping leg and to the shipping bin from whence it is spouted direct to the cars.

All the elevators in the house have a capacity of 5,000 bushels per hour while the screw conveyors carry 2,000 bushels per hour. This gives ample flexibility and speed in handling.

The power used is electrical, current being received from a central station. A number of motors of various sizes are installed, the power being transmitted through gears or belt drives.

The principal grains handled are wheat, oats and barley, but in addition the plant is equipped to deal in flour, seeds and coal. G. A. Fitzpatrick is manager of the elevator and he has every reason



THE MIDLAND ELEVATORS AT IDAHO FALLS, IDAHO

elevator heads and the machinery. On the ground plan the building is 51 feet 4 inches by 69½ feet, and it has a total capacity of 150,000 bushels of grain.

As the plant acts as a transfer house as well as a country receiving station, the double working arrangement is necessary. On the north side of the house, next to the tracks of the Oregon Short Line, there is accommodation for a car puller, power shovel, man-lift, receiving leg and hopper.

On the south side of the elevator there is a double receiving sink for wagon grain; two legs, one for receiving and the other for shipping; a Humphrey Employees Elevator; hopper scales, etc.

At each end of the building is a stair well with wooden stairs reaching from the ground floor to the cupola. At intervals of 14 feet there are landings

to anticipate a capacity business for the house throughout the season. An extensive warehouse adjoins the elevator on the west side. It is one story high and built substantially of native stone. This affords ample storage capacity for the supplies of flour, feed and seed, a loading platform extending its full length, so that farmers need not be delayed in getting whatever supplies they desire when bringing their grain to market.

Incidentally the elevator saves the farmers large sums of money each year which had been expended in sacks. They have taken kindly to bulk handling, for, although burlap bags are cheap enough now, they have been so high within the past two years as to cut seriously into farm profits.

Idaho is a long way from consuming centers and is working under a disadvantage with present freight rate levels, but it is hoped that an early adjustment of rates will make farming more attractive in the rich valleys of Idaho and will cause a rapid increase in the land put to the plow and in the number of farm owners, which the Midland Elevators will stand ready to serve.

IN THE VERMONT HILLS

Farm conditions in northern Vermont differ so essentially from those in the grain belt, that a western agriculturist would think himself in a foreign country if he had to operate under conditions ob-



PLANT OF THE RICHMOND (VT.) GRAIN COMPANY, INC.

taining in that part of New England. And the same might be said of the western grain dealer, although the difference in his problems would refer more to the farmers than to the actual product handled or the manner of taking care of them. The grain would be familiar for it comes, for the most part, from the Central West.

The elevator of the Richmond Grain Company, Inc., of Richmond, Vt., would be a serviceable plant anywhere that grain is handled. It is of brick and steel construction with 16 wooden bins having an aggregate capacity of 30,444 bushels of grain. But the machinery operates in the opposite direction from that at western stations, for the bulk of the grain comes in in carloads and is dispensed by wagon to the farmers. It is a consumer's elevator, not a shipper's.

Incoming bulk grain is unloaded into a car dump by an automatic power shovel and is conveyed by a belt conveyor to the elevator boot. It is lofted and distributed to the various bins for storage or may be sent out in mixed cars.

Large quantities of grain and feed are also received in sacks. These are handled from the cars by a chain conveyor which carries them to storage. As most of the grain handled is for local consumption, much of it is ground into feed before leaving the plant. A 100-bushel Unique Attrition Mill does the grinding.

While grain and feed are the chief interests of the company, large quantities of flour, seeds, salt, hay and straw are also handled, and there are adequate storage facilities to take care of all of them. Nor is this all. The company does a considerable business in farm machinery, and a full line of tractors and farm implements suited to Vermont conditions, is kept in stock. Some of these implements are suited only to local conditions.

The company is in excellent hands. F. H. Shepardson is president; F. W. Shepardson, vice-presi-

dent and secretary, and G. E. Bartlett is treasurer and manager. The company has met the needs of the community, and the whole neighborhood comes to its doors for its supplies.

REDUCING OVERHEAD

BY TRAVELER

It frequently happens that the manager of an elevator is hired at a stipulated salary, and provision is made in his contract that any extra help he may hire must be paid out of his own salary. Such a contract was entered into by a manager, who, after a time, met with an accident under the wheels of a switch engine and lost his arm. After recovering from the injury, he found that he was still able to fill the position of manager, but was, of course, obliged to hire extra help more often than before.

This ate into his salary so fast that he was obliged to devise some means of making the extra man pay his own way. As an experiment, he purchased a light truck and kept the man busy hauling when not needed at the elevator.

Sometimes he hauled grain from the farmers' bins, and this, besides reducing expense, increased the receipts of the elevator. At other times, farmers in a hurry to get their seed wheat cleaned would pay him to haul it to the elevator and back, thus enabling them to get it in the ground that much sooner. The driver of the truck would of course help the manager while the wheat was being cleaned. When work at the elevator was slack, the truck would be engaged to haul stone for roads being repaired in the vicinity.

There were many other ways in which the truck was kept busy, and it soon paid the driver's wages many times over. To-day, the manager's salary is larger as a result of increased receipts at the elevator, and this, with the earnings of the truck, gives him an income which amounts to nearly twice what he had before losing his arm.

This same rule should hold good with the individual operator of an elevator, and enables him to hire a regular man so as to get rid of much irksome work, and at the same time materially increase the receipts at his elevator.

RECORD MOVEMENT OF GRAIN THROUGH COLUMBIA RIVER GATEWAY

The past month has been of more than passing notice in the movement of grain through Portland, Ore., and the Columbia River gateway. The month of September, 1921, broke every existing record for the shipment of wheat by vessel with the exportation of 4,730,280 bushels valued at \$5,665,925. This year's September grain shipments exceeded those of September 1920 almost threefold. The record movement is opposite what most dealers and farmers expected, as the recently organized Northwest Wheat Growers' Association perfected a mammoth pool of 30,000,000 bushels with the intentions of distributing the shipments throughout the entire year. For the last three months the movement of grain through the Columbia gateway has been epochal, 11,355,257 bushels having been exported in that time.

Offerings in the country still continue on a large scale and if the selling movement continues unabated there is every likelihood that Pacific Coast grain shipping records will be still shattered. Portland now ranks second among wheat shipping ports of the West and grain shippers of the Rose City are hopeful that when the total for the year is summed up that the city may rank in first position.

Present indications are that this season's wheat crop will be of better quality than ever before. A larger quantity of Hard Red wheat was produced this year than last year and in most parts of Eastern Washington and Oregon shows an increase of from 1½ to 2½ per cent of gluten. The fine growing weather this year has allowed the gluten to mature properly and consequently it is far above average. No trouble is expected this year from green flour by Northwestern millers.

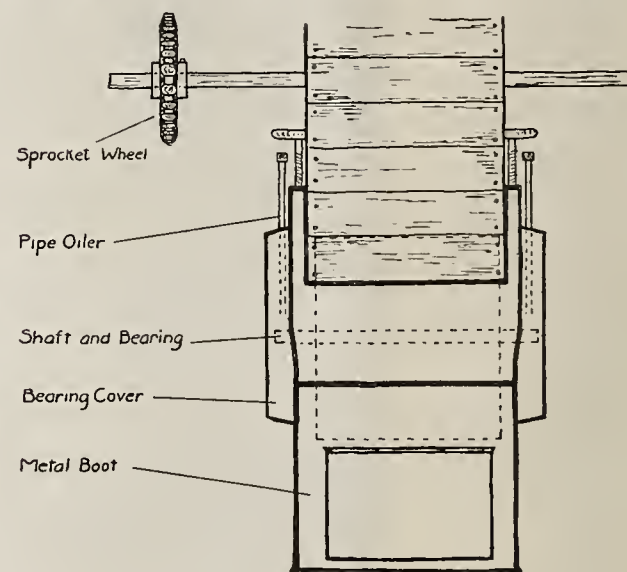
The first entire bulk shipload of wheat ever to

move from Portland cleared the first part of October in the British ship *Ashworth* for the Kerr, Gifford Company. Slowly but surely the bulk method of wheat shipment is gaining ascendancy over sack transportation and with added facilities each year and the farmers of the Northwest of the Pacific Coast becoming more familiar with the use of elevators, there is every indication that in time nearly all exports from the West Coast ports will be in bulk. The Gray-Rosenbaum Grain Company of Oregon intends to ship all its grain in bulk and will strive to move 40,000,000 bushels of wheat through Portland the coming year. Already the storage elevators are taxed to the limit and additional terminal elevators may soon have to be erected to take care of the shipments routed via the Columbia River gateway. The first steamer to carry for the Gray-Rosenbaum interests, the U. S. Shipping Board vessel *Abercos*, departed early in October this year with a full cargo of grain for Europe.

Whether vessels calling at Pacific Coast ports of the United States shall be called upon to line their holds for the carrying of bulk wheat is an important question now up for determination at London before the marine underwriters and the decision is eagerly awaited. Objections have long been made that rules now applied to the lining of vessels for wheat carrying were far too excessive and most Pacific Coast grain shippers look for moderated lining requirements to issue from the London conference, if nothing else. If more moderate requirements are forthcoming a material saving in time and money will be made to wheat shippers using Pacific ports.

ANYTHING LIKE THIS IN YOUR HOUSE?

There is a little story from one of the company's field men in a recent issue of OUR PAPER, published by the Grain Dealers Fire Insurance Company,



A BEARING THAT WAS IN TROUBLE

that can be read with profit by everyone who is connected in any capacity with a grain elevator. The field man sent in the accompanying sketch and wrote:

"While making a survey today, I came across a bearing that would surely have caused trouble. When I went to the basement I heard the old familiar squeal, and commenced looking for the source of it. After some little time I found it in a boot. I called the elevator man, and he said 'Yes, it's that sprocket wheel. It squealed all day yesterday.' He thereupon upended his oil can, and proceeded to give the unoffending wheel an oil bath.

"I assured him that the trouble was in the boot, and upon investigation found that pipe oiler No. 2 had no cap, and was completely filled with dirt. We took off the cover bearing, and found the bearing too hot to touch. But the worst feature was the fact that the bearing cover was packed with dust. I do not believe the wheel could have turned another half day without firing.

"It seems to me that these bearing covers should be taken off occasionally and cleaned; also that pipe oilers should be regarded with horror. And above

all, elevator men should be impressed with the necessity of finding the squeal, and not pour oil on the handiest piece of machinery. In this case, that sprocket wheel had enough oil to last it for 10 years."

MARKETING GARLICKY WHEAT

Because the presence of garlic or wild onion in wheat decreases its market value materially, a special study of the problem of marketing wheat so tainted has been made by the Bureau of Markets and Crop Estimates, United States Department of Agriculture. The purpose of the study was to ascertain how such wheat is purchased from producers, as regards grades and prices at the primary grain markets of Maryland and the effect, if any, on the producer.

The average garlic content of 47 samples of Maryland wheat taken from wagons, elevators, bins, and mills was 40 bulblets to a pound. Millers were unanimous in saying that the presence of garlic greatly decreased the milling value for a number of reasons, such as the greater risks from spoilage, the extra cleaning and preparation required for milling, the lower flour yields, the greater cost of manufacturing, and the lower market value of the resultant flour.

Garlic bulbets range in size from that of a kernel of wheat to that of a pea seed. The greater risk of spoilage in garlicky wheat is due to the fermentative or germinative action in wheat started by



ELEVATOR OF THE WESTERN MILLING COMPANY, OAKLAND, CALIF.

the absorption of moisture from the garlic bulbets. As this is a slow process, the danger of spoilage is slight where grain is handled or moved frequently. None of the special cleaners for removing the garlic is entirely satisfactory. Some of them remove too small a part of the garlic, and some remove altogether too much wheat when removing the garlic.

The difficulties of removing garlic bulbets from wheat suggest the importance of its eradication from the fields whenever this is possible. If you have garlic in your neighborhood, the Department of Agriculture will be glad to send suggestions on the best way to rid the farms in any section of the country of the pest.

AUSTRALIAN WHEAT POOLS ABOLISHED

Though Australian wheat farmers are divided in their opinions as to the advantages or disadvantages of government control of the marketing of grain, the Governments of South Australia and Victoria have decided to abolish the pool and revert to the open market system of disposing of the wheat crop, according to reports received by the Bureau of Markets and Crop Estimates.

The Australian pooling system was inaugurated in 1915 with the purpose of meeting the transportation difficulties brought about by the war. At that time a record crop was about to be harvested and the available tonnage was insufficient to transport it to foreign markets.

RAIN shipments from the Pacific Coast show a volume never even dreamed of before the Panama Canal opened. There had been more or less trade between the Pacific Northwest and the Orient, but new ports and new facilities are meeting a growing need and have already proved their usefulness. The newest of the export elevators on the Pacific is the new house belonging to the Western Milling Company, at Oakland, Calif.

Oakland is within the San Francisco district and plays an important part in the receiving and shipping activities of the district. In 1920 the receipts were 36,265 tons of wheat; 156,455 tons of barley; 15,268 tons of oats; 18,561 tons of corn; and 80,643 sacks of beans. California insists on measuring grain by tons, to keep up with its reputation of doing things on a big scale. The receipts for 1921 promise to be as large as for 1920 and large quantities have already passed through the new elevator. The house was leased, before completion, by the milling company to the California Farm Bureau Elevator Corporation, a subsidiary of the state co-operative society. It was planned, built and equipped by the Macdonald Engineering Company of Chicago, and so well was the work performed that the company was given contracts for the erection of a

number of country elevators throughout the state belonging to the society.

The Oakland elevator has a capacity of 1,250,000 bushels. The head house is 136 feet in height, while the 36 storage bins and 100 interstice bins are approximately 100 feet high. There is a two-story building, now used as a warehouse, which will be extended to five stories and will contain a feed mill. A gallery 225 feet in length extends to the dock where it meets a transverse gallery 450 feet long, at right angles to the first. At the dock a marine leg will be installed for handling bulk grain from ships and barges. This leg will discharge to the gallery conveyor belt which can be reversed to bring grain into the elevator.

There is a slip devoted exclusively to small barges which is 90 feet wide and 150 feet long and 10 feet deep at low tide. This is for the purpose of accommodating the barges which are used extensively in handling grain from the farms bordering on the various rivers. Vessels drawing 25 feet of water can be accommodated at the elevator.

The elevator has two receiving car dumps, with an electrically operated car puller which can handle 20 loaded cars at one time. Clark Power Shovels unload a car in 30 minutes, while the loading spout is capable of loading a car, without trimming, in 20 minutes.

The equipment of the house includes 10 elevator legs ranging from 3,000 to 10,000 bushels per hour capacity; one Monitor Separator of 3,000 bushels capacity; one Prinz & Rau Cleaner of 3,000 bushels; and a special barley cleaner and polishing machine

made by the Huntley Manufacturing Company; a Humphrey Employees Elevator; two Fairbanks Hopper Scales of 120,000 pounds capacity.

All machines are electrically driven, the power being furnished from a central station. A trans-

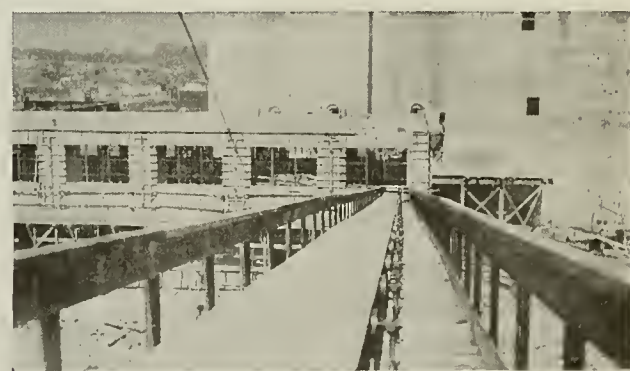


FEED MILL AND GALLERY

former house reduces the high voltage current as received to 440 volts for the motors and 110 volts for lighting.

The house is equipped with the Day Dust Collecting System, with four 36-inch Sturtevant Fans direct connected to individual motors being part of this installation. There is also a Morris Drier of 1,000 bushels capacity, operated by a steam boiler burning oil.

One warehouse, two stories high, is 180 feet long



CONVEYOR GALLERY FROM THE DOCK

and a smaller one 54 feet long will be devoted to the storage of sacked grain. As yet the bulk handling system is not generally practiced in California and a large proportion of the grain comes from the farms in sacks. Where such grain is destined for bulk shipment these sacks have to be emptied. As it costs over four times as much to handle sacked grain than bulk shipments it will not be long before economic law forces the use of the latter method exclusively.



CAR DUMP AND RAIL YARDS

The Oakland plant will undoubtedly play an important part in bringing about this change, and in the meantime is a distinct factor in our export trade in grain.

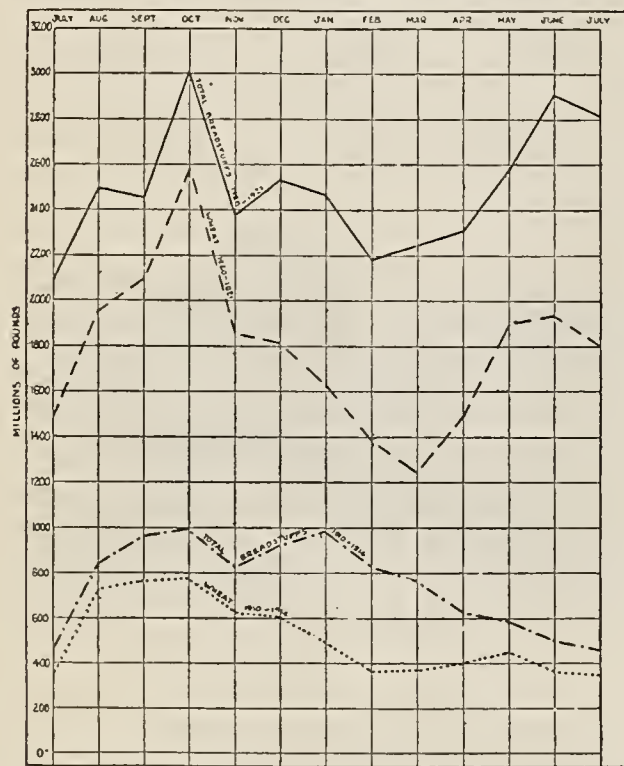
During the two months of July and August, export shipments of wheat and flour were equal to 98,000,000 bushels, as compared with 67,000,000 bushels for the same period last year. However, the 1920 shipments exceeded those of the present year in value.

SUPPLYING EUROPE'S NEED

E. G. Montgomery, chief of the Foodstuffs Division of the Department of Commerce, offers the following statement of our shipments of breadstuffs to Europe this year:

Wheat (and wheat products calculated as wheat) exports continued in large volume for the month of July, amounting to a total of 30,000,000 bushels, or about four and a half times the pre-war average exports for July. Ordinarily the movement of United States wheat drops to about minimum in February and remains at a low level through July, taking a sharp upturn in August, reaching maximum in October, and gradually declining again to February. For the season beginning July, 1920, the upward trend to October and downward trend to May was about normal, but a large increase in exports began in April, four months earlier than usual, and reached a very high level in June, when 32,000,000 bushels were exported, almost five times pre-war exports for this month. The high exports have continued through July.

Before the war Russia furnished nearly one-half the wheat imports of western Europe. The great loss of wheat from this source has been largely made up by increased production in the Western Hemisphere and Australia. The unprecedented



COMPARATIVE EXPORTS TO EUROPE
Exports of wheat (including wheat flour expressed in terms of wheat) and total exports of breadstuffs (including meals and flours in terms of grain), by months, for a pre-war period, 1910-1914, and for the 12 months ending June 30, 1921.

takings of wheat during the past three months indicates that Europe is purchasing its supply earlier than usual. Wheat is in a very strong statistical position. The European takings of other grains, principally corn, has been unusually large since last November and for the past two months has been about nine times the takings for the same months in pre-war years.

THE U. S. GRAIN GROWERS IN MINNESOTA

A jumbled situation has been created in Minnesota through failure of the plans of the Farmers' Finance Corporation, a subsidiary of the U. S. Grain Growers, Inc.

After the Minnesota Securities Commission issued its orders denying the corporation the right to sell \$750,000 worth of preferred stock, it became known that the U. S. Grain Growers, Inc., purposed to make the Equity Co-operative Exchange their exclusive sales agency. This brought forth a storm of protest.

Aroused over the proposed merger of the U. S. Grain Growers, Inc., with the Equity, the Minnesota Farm Bureau Federation has sent a statement to every county farm bureau in the state and to over 50,000 farmers declaring the plan "does not merit the farmers' support nor warrant their in-

vestment". The contract drawn up between the U. S. Grain Growers, Inc. and the Equity, says the Minnesota Farm Bureau, cannot be of "any practical benefit to producers".

Reasons for refusal to permit sale of the \$750,000 stock by the Farmers' Finance Corporation are made quite clear in the State Securities Commission's order. The corporation had reported that it issued 21 shares of no par value stock to the U. S. Grain Growers, Inc., a non-stock corporation formed under Delaware laws, and that it had also issued 125 shares of the preferred stock for \$13,900 cash.

"The applying company," says the securities commission, "is a subsidiary of the U. S. Grain Growers, Inc., both organizations being the outgrowth of a movement which purports to be a co-operative movement among the grain-growing farmers."

"By years of development, the so-called co-operative movements in this and other states have come to have certain settled features which are deemed essential and which are regarded as present in all such movements, these features being set forth in the co-operative statutes which are now in effect in this state."

"These essential features are not embodied in the present organization, which, on the contrary, is a closed corporation with unusually broad powers and control vested entirely in 21 shares of no par value stock, and which organization denies to the purchase of stock all of the rights and privileges usually incident to the holders of stock in a co-operative organization."

"The offer and sale of the stock in question in connection with the movement represented by the U. S. Grain Growers, Inc., and the applying company is therefore misleading and deceptive. Its assets consisted only of the proceeds from the sale of stock. The company had transacted no business and showed no profit or loss."

"The company has a capital of \$100,000,000 of preferred stock and 21 shares of no par value common stock," said a statement by F. E. Pearson, secretary of the Commission. "The name preferred stock is a misnomer in this case, as the stock had no substantial preference over usual common stock. It is not preferred stock, as far as I can see, except in name."

"Further, the stockholder has no right to vote and no voice in the management. The entire control of the \$100,000,000 proposed to be contributed by the buyers of preferred stock is in the hands of holders of 21 shares of common stock. There is no fixed dividend rate and holders of preferred stock are denied the right to examine the books or affairs of the company unless they own 10 per cent of the outstanding stock—that means farmers owning \$10,000,000 of stock in small amounts when the entire capital is subscribed."

WHEN TO CUT WHEAT

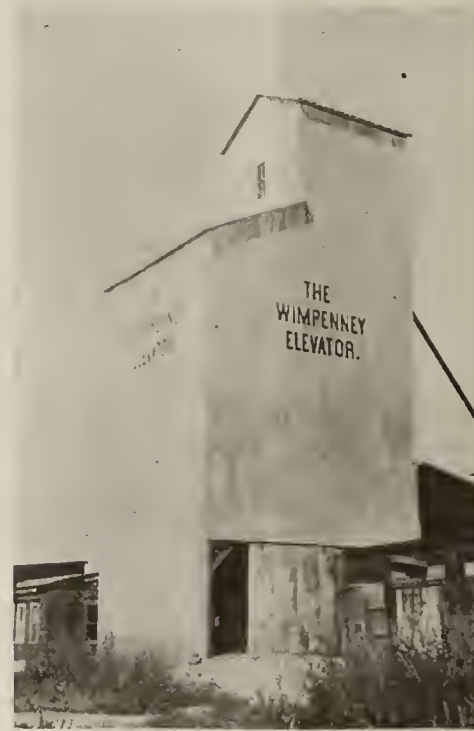
In our Spring wheat territory and in Canada the period of time intervening between the time when the wheat may be cut and the time when it must be cut is rather short, not exceeding 10 days, and often less than that. According to P. Russell Cowan, the Canadian cerealist, the general practice of cutting grain on the immature side is followed in western Canada, while farther east the grain is allowed to stand until ripe or nearly so. The reason for this difference is found in the need in the West to avoid rust and frost.

Wheat, Mr. Cowan proceeds, may be cut when more immature than other crops. Wheat cut when the kernels are in the late milk to soft dough stage and the straw still tinged with green will mature in the shock to a certain extent. This may be taken advantage of when frost or a rust epidemic is feared, but it is not advisable under average conditions, to cut as early as this. Under western conditions, it is usually advisable to cut when the grain is in the soft to medium dough stage, but for the East the crop may be left until the kernels are almost hard, the hard dough to hard stage. In both cases, the field will be yellow in general appearance, although color of straw is not an infallible criterion as to when a crop should be cut and should not be so regarded.

KEEPING UP WITH THE COMMUNITY

The rapid development and change which are still operating in many communities in the West are vividly shown in the growth of the Riverton (Wyo.) Hides, Wool & Fur Company, which was organized in 1915 with Edwin Wimpenney, president, and Clarence Wimpenney, manager. Riverton is on the Big Horn River, close to the Shoshone Indian Reservation. Previous to the establishment of the company the surrounding territory was largely devoted to range stock and sheep raising, while the mountainous country yielded a large annual toll of furs. There was a considerable business in the pelts of these wild and domestic animals (it is something of poetic license to call these mountain cattle and sheep "domestic animals," but we will let it pass) and the company built an extensive warehouse to take care of it.

Almost immediately there arose a demand for space in the warehouse for general storage and a retail grain business. These departments were added and were followed soon by wholesale grain and hay departments. The effect of the war was being felt even in western Wyoming and the world's cry for food grain and animal feed was being answered. So successful was the general farming in the valley that the company saw it was permanently established, and last year contracted



THE WIMPENNEY ELEVATOR, RIVERTON, WYO.

with the Jones-Hettelsater Construction Company of Kansas City for an elevator to take care of the business.

The new house is not large, but it marks a distinct step in the growth of the community. The elevator is on the Chicago & Northwestern Railroad, and is of frame construction, ironclad. It has 11 bins, all overhead, with a total capacity of 15,000 bushels, and a receiving and shipping capacity of 1,000 bushels per hour.

After being weighed over a Howe Wagon Scale the grain is dumped into the receiving pit, which hoppers direct to a long screw conveyor leading through the old warehouse to the elevator boot of the receiving leg. It is then cleaned on the No. 178 Eureka Double Receiving Separator and elevated by the cleaner leg, or is sent direct to storage or the shipping bin. A 200-bushel Howe Hopper Scale on the first floor takes care of the shipping weights. On the first floor also is a Bowsher Feed Grinder with a capacity of 40 bushels per hour.

The power is entirely electric, the current being received from a central power plant. One 7½-horsepower motor on the first floor drives the cleaner, the grinder and the short leg, while a 5-horsepower motor in the cupola drives the loft leg. Both motors have belt transmission.

The elevator was finished in time for the new crop and it is expected that at least 60,000 bushels will be handled through the house the first season, with every prospect of increasing the receipts each year for some time to come.

Grain Dealers National Convention

A QUARTER century of achievement was celebrated by the Grain Dealers National Association in the twenty-fifth annual meeting held at the Hotel Sherman, Chicago, October 3, 4 and 5. The attendance was not up to that of the past two years, but the capacity of the Tiger Room, where the meetings were held, was tested at every session. About 1,000 were registered in attendance.

The keynote of the meeting was struck at once by President Joseph P. Griffin of the Chicago Board of Trade in his address of welcome. It was sustained by E. C. Eikenberry in his reply to the welcome and was brought to a climax by Harry F. Atwood in his stirring address, the title of which contained the dominant feature of all the sessions, "Back to the Republic." It was plainly shown that it was a long way back, and the grain dealers sent out a clarion call which should be responded to by every business organization in the country. Business must be protected from the organized minorities working through our legislative bodies for their own selfish purposes. Destructive forces, led by demagogues, are undermining not only the economic structure which has enabled this country in the 150 years of its existence to lead the world in progress, but are threatening even the Constitution itself.

The program throughout the meeting was of exceptional strength, and the record of real accomplishment of the convention was high, as a new constitution and by-laws were adopted, more in harmony with the enlarged organization and the increased scope of its activities, and the trade rules were improved in some respects.

It is a distinct advance, too, that acceptable trade rules were adopted for the feed trade, the rules to govern feed transactions between members and to form the basis for arbitration.

It would be difficult to point to any address or report as the high point of the meeting, but certainly the report by R. I. Mansfield created as much interest as any other. Governor McCray of Indiana received a cordial welcome for he was a charter member of the Association and served as president for three terms. There were present, also, four other charter members to mark the steps between the unorganized and chaotic trade of the past and the highly developed efficiency of the National organization. The entertainment provided by the Chicago Board of Trade was commented upon most favorably, for rarely has a grain convention been treated so lavishly in this respect, and the twenty-fifth annual convention will long be remembered by all present.

The Opening Session

The convention was called to order at 10 o'clock a. m. with the president, Mr. B. E. Clement, in the chair. It opened with congregational singing, led by Fred W. Haigh, of Toledo, Ohio, with W. W. Cummings at the piano, all standing at the end and singing "America."

The President: We will now have the Invocation by Dr. Henry Seymour Brown, of Chicago.

Dr. Brown: The blessings of the Lord God be upon His land and upon our land. In all of our affairs we acknowledge Thee our Father and our God. We thank Thee for the precious things of heaven, for the precious things of air, for the precious things of the water, for the precious things of the mountains, for the precious things of the vales and hills and for the precious things of the earth, and the fullness thereof; and we thank Thee for Thy good will that dwelleth in every

bush and in the waving grain. We pray Thy grace upon this company of men and the organization they represent. May the spirit of brotherhood come upon all the machinery of production and transportation; that in sympathy and understanding men may work together, especially these men who stand between the needy world and the fruitful field. God, who doth desire to satisfy the desire of every living thing, may none of us by our mistakes and by our lack of conscience, make ourselves unworthy. We beseech Thee that these men may never lose their sense of partnership with Thee, Thou who has given the seed time and harvest, summer and winter, cold and heat, without fail. May these men be useful in their fidelity as Thy partners and so conduct themselves that Thou shalt never be ashamed to be known as their partner; and may Thy grace so abide with them that they shall so live that on that Great Day, when the Great Word shall be given unto us, they shall hear "I was hungry and I was given food," and "Inasmuch as ye have done unto the least of these, my brethren, ye have

verily conceded to be the most important, the greatest in volume and value. Your business and mine is the assembling and distribution of this leading product, of this most important industry. Here in Chicago is located the hub of this industry, the Chicago Board of Trade. The Chicago Board of Trade is recognized as the world's greatest commercial organization and the most potential and influential factor in the marketing of grain.

In the name of that great organization, I bring you their affectionate greeting. In their behalf, and in behalf of the entire city of Chicago, I extend to you a hearty and cordial welcome.

It is our wish that your gathering at this time, your twenty-fifth annual meeting, will be productive of many beneficial results. It is to be hoped that there will be a free interchange of ideas. It is further to be hoped, however, that this meeting will be marked by unity of effort, by co-operation and by a spirit of getting together. I think you will all recognize that this is not the time or occasion for dissension or for discord.

The Chicago Board of Trade has had a committee which has worked diligently for your comfort and for your happiness. First, may I extend to you and to your ladies an invitation to visit the Board of Trade while in the city. Your badges will be the only credentials necessary. Tonight, at the Colonial Theatre, the entire house will be turned over for your entertainment and happiness. Tomorrow the ladies will be taken on an automobile tour, winding up with a luncheon at the Edgewater Beach Hotel. In the evening of tomorrow, Tuesday evening, there will be given to you gentlemen and to your ladies, a dinner at the beautiful Drake Hotel, and I urge you all to be present. Come as you are, either in your business clothes or in your dinner jacket, as you may prefer.

I am going to apologize for reading to you from this time forward. Only once or twice in my life time, when addressing a public body, have I been obliged to refer or resort to reading; but I find we have enemies who deliberately and intentionally misquote what people in my position may say. Consequently, while I am a poor reader, if you will bear with me, I will endeavor to be brief.

Price Deflation Is World Wide

World-wide price deflation has been the conspicuous event of the last year. This economic upheaval has affected all classes; none have escaped its scorching touch; in its wake there has followed depression, inactivity and great losses. These latter misfortunes have naturally produced unhappiness and discontent. Nowhere has this been more evidenced than with the farmers.

That the processes of deflation and liquidation have wrought havoc with the American agriculturalist is undeniable; his plight is in no respect chargeable to the machinery employed to market his products. On the contrary, abundant evidence is at hand which convincingly demonstrates that the American farmer today is the beneficiary of the great-

est and most efficient marketing system yet devised. Further, all thoughtful persons recognize that this awful catastrophe, this depression, was not local, nor confined to any single group, but, in fact, was world-wide, and embraced all classes.

This unfortunate economic situation has brought in its path great trials and tribulations to the American grain trade. In fact, its very existence and permanence has been threatened. Measures have been projected at national and state legislative centers, which, in the event of adoption, would have utterly destroyed the existing machinery for marketing grain, without providing an adequate substitute. Happily, these efforts to destroy legitimate enterprise, this vicious attempt to coerce legislation, destructive and inimicable to the welfare of all of our people, including producers, met with disastrous defeat. (Applause.)

While laws have been enacted at Washington and in several of the states, such measures are purely regulatory. After eight months of searching investigation by bodies, in no respect friendly, neither Congress nor the states could find any basis to suggest any material alteration in the present marketing structure.

This vindication of our industry is emphasized when considered in connection with the fact that last January the majority of law makers were undoubtedly in favor of our destruction in part, if not in whole.

Much proposed legislation was nothing less than a bold attempt to destroy the present highly competitive



PRESIDENT BEN E. CLEMENT

done it unto me." We ask it all in His name, whose children we are and whose privilege it is ours to serve, in the name of Jesus. Amen.

The President: Gentlemen of the convention, before proceeding further with the program, I want to urge on you all the importance and necessity of filing your transportation certificates with the gentleman on the outside, who is charged with the responsibility of taking them up.

Immediately on the adjournment of this morning's session those of you who have not done this had better do so at once. Some of those who are attending the convention are intending to leave tonight, I regret to learn, but in order for them to get the half rate that will be effective by reason of these certificates, these certificates to the number of 350, must be on file today. Those of you who leave later will also be up against the proposition of being unable to secure the half rate unless these certificates have been filed in the meantime to the total number of 350.

We will now proceed with the program and the Address of Welcome will be given by Joseph P. Griffin, of Chicago. (Applause.)

ADDRESS OF WELCOME

The most important business in this country today is agriculture. As you know, the principal products of agriculture are grain, cotton, hay, live stock, and other collateral products. Of these, grain is

marketing system, and substitute in its stead a species of monopolistic control. This sinister plan was to be sugar-coated and sanctified under the shallow pretense that it was a co-operative producers' movement. In plain fact, it was sponsored by an aggregation of self-constituted agitators and false prophets who, in self-interest, and for personal aggrandizement, were attempting to capitalize the unhappiness and discontent of the farmers. Dissatisfaction was the foundation stone upon which they hoped to build, and the attack on the marketing system was the smoke screen to excite and stimulate the farmer to furnish the sinews of war.

I would not leave you with the impression that I am attacking the good faith of all connected with this movement. I realize fully that scores of zealous and honest followers were prevailed upon to support the leaders. Any personal reference has to do with those engaged in legislative activities and in circulation of false propaganda.

The leaders in this movement are in retreat. Despite their inexperience and utter lack of marketing knowledge, they have been exposed as paying themselves enormous salaries. The farmer has learned that the glowing promises made to enlist his financial support are impossible of performance. Without the farmers' money, to be supplied in abundant plenty, this plan was foreordained to failure, and thus we are now witnessing the almost complete collapse of this embryonic monopoly.

Our experience at legislative centers clearly demonstrates that the country is governed too largely by groups, by minority groups. These groups organize to demand legislation, municipal, state or national, and often obtain it, generally at the expense of the unorganized.

Business Must Protect Itself

Business, the great key stone of our prosperity, is organized for business only. The time has come when



JOSEPH P. GRIFFIN

it must organize, to take its share in Government, to protect itself against class legislation.

At the state capitals, at the National Capitol, one finds the representatives of these minority groups vigorously pressing for legislation of benefit to themselves, regardless of the effect on the rest of the country. These groups are not prominent as tax payers. That item is left largely to business. Business is not represented in these bodies. Business is expected to remain at home and bear up against a sea of troubles in an endeavor to pay the nation's bills.

You do not find organized business at Washington or Springfield, trying to get laws to put the school teacher or the physician out of existence, or trying to pass legislation which will destroy the farmer or some other class, for his enrichment. No. The only time the business man goes there is when one of these minority groups is trying to destroy his business. Then he goes in self-defense.

We, in the grain trade, know what that is, and at the last moment we rush down to Washington or Springfield and make the best fight we can against forces of prejudice and radicalism that seem almost unsurmountable. Somehow we keep up hope and get through and come home thankful that there remains in the country a few—pitifully few—real statesmen who are not too willowy before group clamor.

This is not a businesslike way of fighting for our place in the sun. Apparently the time has come when business men must organize the political end of business along economical business lines in order to preserve rights at the minimum of expense and effort. It would seem necessary to inject enough business into politics to keep politics out of business.

We of the grain business do not object to being eliminated by competition; but while God gives us breath of

life we shall fight any and all attempts to eliminate by legislation. (Applause.)

The wide-spread criticism which was engendered threatened complete junking of the grain marketing machinery, with the prospect of a theoretical, untried substitute that would have meant financial ruin for the farmers.

Congress was prevailed upon to pass legislation to satisfy this destructive criticism, legislation that provides rigorous regulation for the exchanges and which eliminates the features to which the critics have objected. The grain trade will strive to observe the letter of the new law as long as it is judiciously administered.

The grain trade does not fear new marketing schemes. Indeed, it would welcome any marketing method superior to the economical system that has been developed in the last three-quarters of a century. But the economists know that such a substitute, which would really serve the farmer as the grain exchanges now serve him, is but a remote possibility, despite brave words to the contrary. (Great applause.)

The President: Gentlemen, we have, indeed, enjoyed the Address of Welcome by this great Chicagoan and we know that we are going to have a great time in the midst of a citizenship such as his and in surroundings of such splendid hospitality. Mr. E. C. Eikenberry will now reply to the Address of Welcome.

RESPONSE TO THE ADDRESS OF WELCOME

THERE is a welcome to places that are strange and there is a welcome home which is more congenial and savours less of formality. President Griffin has bid us tarry for a few days in a city having dominant interests in common with each member of this Association or with all grain dealers the world around. Every business day of the year every man who trades in grain keeps open his windows toward Chicago. The very name of the city suggests grain; we only pronounce the one to think of the other. "Chicago" is inseparably connected with "market" and "quotation" and "Board of Trade" and "wheat pit" and "options" and "cash grain" and "wire houses" and "terminal elevators" and all in a very important way, so significant is your importance in the grain world that we are about inclined to forgive your arrogance on referring to these facts. The trading in your market so reflects the play of the forces of supply and demand that you make grain prices for the world; the seething activities of your grain pits record their results in the tape dropping from thousands of tickers, which is scanned with interest by men of every nation in all climes.

True, yours is the master market, but you are so great and you are so busy and are so conscious of your greatness that you sometimes fail to realize that around you are numerous little grain worlds and that these little worlds are each the center of another and similar group. In fine, we may apprise you of the fact that here in Chicago you are growing somewhat provincial and so we are coming up from the provinces to spend with you a few days to jar you out of your complacency and to tell you that although we are here to talk shop, we can talk something else than shop and that before we leave you we may show you some real culture. There are among us those who can discourse of things intellectual and who may be found during the spare moments of their stay in communication with the learned doctors of your schools and universities, while there are others that will introduce you to your own city and will reveal to you a Chicago that even you yourselves do not know.

But every one of us is here to mix with our business a little pleasure and each in his own way will find his enjoyment and in order that you may help you must be "many things to all men," and at the same time you are very likely to be "all things to many men." We like you; you have "done" us many times, now we have come up here to "do" you and we thank you for the privilege so freely extended.

During the past year, Chicago, or rather the Board of Trade of this city, has come into quite a considerable notoriety, favorable and otherwise. The press reports, including the *Congressional Record*, would indicate that it is mostly "otherwise."

The gravity of the charges against you will be more fully appreciated when it is realized that your offense does not consist primarily in a violation of the laws that men made but that you are guilty of tampering with laws of a higher order and have actually caused the law of "supply and demand" to cease to function. You, Mr. President, and your fellow conspirators, are further charged with the maintenance and dissemination of the heresy that for every "buyer" there must be a "seller."

Accordingly to counteract the violence that you would do to economic laws certain wise men deeply interested in the welfare of humanity in general and themselves having a wholesome respect for institutions of age in particular, have organized to preserve this same law of supply and demand. In view of the material results obtained for some of the members of these organizations we are presuming that the demonstration has been quite positive and thoroughly convincing. However, their operation has been somewhat disconcerting and has served to alarm the established grain trade. Except war and famine there is nothing that entails so much misery amongst mankind as a rapid and radical decline in commodity prices.

The masses rarely seek for the underlying economic

causes, but mistaking the register of results for the cause endeavor to adjust the register. To attempt to alter the passage of time by manipulating the hands of the clock is not unknown and is quite as sane. The clock is visible; so are the boards of trade. It is not a violent stretching of the imagination to conceive that the machinery of your association is the agent producing prices that shrink from day to day rather than that it is the agent registering in terms of value measure, the results of economic and industrial forces. Much unrest and consequent loss might be avoided if a conscientious effort were made to educate producers and consumers alike to a proper conception of some of the fundamental forces underlying price expression and price change.

The outstanding need of the people of this Republic is that they might have a pure fountain from which they could receive the truth and at the same time know that it is the truth. Politics is to-day the bane of our people; it is not possible to state the absolute truth on any question of general interest and obtain from one-half the people an acceptance of the statement. However wise you may be, however profound your knowledge, the American politician will first talk you out of countenance and then succeed to befog the issue and fly-blow your reputation until your conclusions are fouled with doubt, until you are humiliated beyond measure and are forced to conclude that while the search for truth may be difficult, to secure the acceptance of truth is vastly more difficult.

Every period such as that of the past two years produces a spawn of clever demagogues who mobilize the discontent of the masses and capitalize it to the benefit of themselves. The welfare of the community is ignored, and the accumulated experience of the past is cast aside with utter disregard. Proven



E. C. EIKENBERRY

methods and reliable processes are thrown into the discard and economic vagaries seek supremacy. The result is certain to carry disaster but after the passing of this democratic vertigo sanity will gradually return. But during this period Government finds excuse to extend its influence and to inject policies of control and regulation. Government regulation is not usually drastic, but it is annoying and irritating and means the constant interference of individuals and bureaus alike ignorant and inefficient.

We need more industrial freedom and not less, more praise and less abuse of the great business organizations which have brought to America her commanding place in the commerce of the world. Little men would turn our glory into a shame. Virtue cannot be legislated into individuals or groups of individuals. I doubt the efficiency of laws to this end even though they be made a part of our very constitution. Morality must come from within and not from without; the moral sense of a people must find expression in a moral conduct and in social reform spontaneous and not forced. We are not reverting to previous standards of civilization and mankind occupies to-day higher ground than that of yesterday. This may be disputed but we are only a few generations from a belief in witchcraft and many of us can remember the settlement of personal differences by the duel. But legislation has not placed our feet on this higher ground. Without government aid and by the initiative of the men engaged and by their accumulated experience has the traffic in grain come to its present degree of efficiency; only by non-interference and the friendly attitude of a government that should help and not hinder shall this efficiency be heightened.

Some things the public should know, the economy

of the present system of grain marketing should be driven in on the mind of consumer and distributor alike. It should be done in words as simple as possible and should avoid technicalities. You, Mr. President, have won the admiration of the trade by the able and prudent manner in which you have conducted the defense of the present system of grain marketing. The trade owes to you recognition of your services and this is a fitting time to give expression to such recognition. The system has abuses, let them be eliminated; it may be improved but improvement will come from within and not as the application of impractical theory or bureaucratic regulation.

One of the impressive incidents of my life occurred in this city back in the early days of Congressional antagonism to boards of trade. One of these Congressional investigations was imminent and a conference was in progress, the object of which was to formulate a line of defense. All day we deliberated, each man with a different plan by which as much of the good might be brought to the surface and as much of the evil kept beneath the surface as possible. None of these plans seemed exactly safe. Finally, Secretary Merrill, on whom the burden was eventually to rest, stood up in his place to urge that nothing be suppressed, that evil be acknowledged and full statement made of how every beneficent system was subject to abuse. He urged that the system of marketing grain be thoroughly elaborated, that a campaign of education be tried first on the investigators and through them to the public at large. Then with impressive earnestness he concluded, "The truth shall make us free."

You, sir, can follow no other course than that recommended by Secretary Merrill. I believe that everything that is worth preserving will be saved to the trade; its fundamental principles are sound and will withstand the assault of political expediency and of organizations, that will continually grow less formidable as their unsoundness becomes more apparent.

There is a vast deal of selfishness in humanity and grain dealers are just ordinary humans but the members of this convention will merge their own interests in a consideration of the welfare of all the trade in all its branches and phases. We thank you for this auspicious start and appreciate your generous words of welcome.

We are glad we are here; when we go you may too be glad, but between these two happy periods we hope to accomplish some things that are quite worth while and that will stamp this convention as the greatest meeting ever held by the grain trade.

The President: I want to announce now the members of the Resolution Committee, and I wish to say to the members of this Committee that the chairman wishes to have a meeting immediately on adjournment of the morning session. This meeting will be held in Room 614 of this hotel. The Resolution Committee is composed of Mr. F. G. Horner, Illinois, chairman; Mr. E. W. Crouch, of Texas; Mr. P. E. Goodrich, of Indiana; Mr. George P. Bissell, of St. Louis; Mr. E. T. Custerborder, of Oklahoma, and Mr. H. B. Dorsey of the south half of the United States.

Mr. Dorsey: Mr. President, if I am not out of order, and since I am on that committee and will have to leave immediately after your address, I think one of the most appropriate things this Convention can do is to devote a few minutes to the memory of one of the greatest men our organization has ever had the pleasure of possessing.

I refer to Mr. Lee G. Metcalf, whom I learned to love as well or better than any man I ever met; and I think we ought to hold a memorial service of a few minutes, say, immediately on reconvening this afternoon, and I would like to suggest that and if it is necessary to make a motion I would like to make the motion, but I don't believe that is necessary. I think all that would be necessary would be for the president to announce it. He is an ex-president of this organization and his demise has occurred during the past year and I think one of the most appropriate things we could do would be to devote a few minutes to his memory, with appropriate remarks from some of our members, and I hope that will be acceptable.

The President: I will state that the suggestion is well taken by the member and, in fact, he anticipates me in the resolve. I had intended announcing that we would devote 15 minutes for this very noble purpose immediately upon convening this afternoon.

I am very much gratified to be able to present to this convention one of the most distinguished authors in America, a man who has rendered himself famous by the authorship of three books entitled "Back to the Republic," "Keep God in American History" and "Safe Guarding American Ideals."

I count this convention singularly fortunate in being able to listen to this distinguished man today. I am sure he will bring you a message that is rich with every beautiful and splendid thing in American government and history. I present the Honorable Harry F. Atwood.

ADDRESS OF HARRY F. ATWOOD

I AM sure that I am very glad of the privilege to meet you in your twenty-fifth convention at a time when you are considering so seriously the governmental, industrial and economic situation.

I am not a grain man and I am not going to give you any advice about the grain business. I think that the business men have been surfeited with advice from self-appointed efficiency experts telling them things

about their own business until the word has almost come to conform to the definition given by Job Hedges, of New York, who ironically said that "efficiency is letting someone else run your business as they want to at your expense." That happens to be a very apt definition of the organization you are concerned with just now.

What I want to do today is to talk to you for a few minutes about the Constitution of the United States and the difference between direct and representative government.

Now, when you see on every hand difficulties of every kind that you do not understand, if you want to get a clear concept of the cause of these modern day movements, there is not anything you can do with so great profit as to turn back to the history of the United States and read the history of this country during the few years before the Constitution was written, and the few years afterwards. And if you will do that you will find that those splendid people with their splendid ideals and their religious fervor and their marked intelligence and noble aspirations were little more than a mob for 150 years—a good deal in the same condition as Russia is now.

During the two or three years before the Constitution was written, after 150 years of failure, a mob drove our Congress from Philadelphia into New Jersey; Shea's Rebellion assaulted the court houses in the State of Massachusetts; money was worth two and one-half cents on the dollar—that was some deflation—and we had no credit anywhere, and we had not loaned \$10,000,000,000. Trade was paralyzed. Discipline was so chaotic that we could scarcely raise an army. We were failing in negotiating diplomatic questions. In utter despair, a very large proportion



HARRY F. ATWOOD

of the people who were here wanted to abandon any further effort and turn back to the monarchies of Europe. In that black night of chaos and darkness and despair, 55 men met at Philadelphia and wrote the Constitution. And almost immediately, for the first time in the history of the world governmentally, light began to come out of darkness; order began to come out of chaos. In 10 years thoughtful men and women everywhere were asking the question, "What was it those men did, that for the first time in the history of the world made a place, a land of liberty and opportunity for mankind?" For 100 years there was not an individual who came here from any country—and they came here from all countries—who as they planted their feet upon American soil, did not have the feeling in their hearts and their souls and their minds that they were planting their feet upon a soil where for the first time in the history of the world there had been worked out a governmental condition where all individuals were to be protected in their personal safety and their right of property and work under conditions where the individuals were to be rewarded in proportion as they developed capacity to do. Then there followed 100 years in which we made more progress, physically, mentally and morally, than the world had known in all time. We developed more statesmen on American soil in 100 years while we adhered to representative government than had been developed by all of the nations of the world in all the history of time. During the first 100 years we were the most normal people in our homes, our schools, our churches and industries that history has ever known, and within 100 years, without a great army and a great navy, or nearly as many people or as much land as they had in other countries, we occupied the undisputed leading place among the nations of the world.

I know that some of you are saying, what has this to do with the grain business? It has more to do with the grain business than any other phase you could treat of outside of the grain business.

Now, they established here a representative gov-

ernment. We have been talking a great deal about democracy during recent years, but through a thousand years before that Constitution was written the pendulum of government ran back and forth from extreme autocracy, which has always resulted in tyranny, and extreme democracy, which has always resulted in chaos.

The Republic and the Democracy

The men who wrote that Constitution and founded a republic painted a perfect picture of Russia as she is today when they told us what democracy was and warned us against it. It has been because we have been discussing those things during recent years that these outgrowths of various kinds that we do not seem to understand have come to pass.

Now, in order that there may be no misunderstanding about what they did say, I am going to quote just a few words from the Federalist, the greatest governmental discussion in the libraries of the world. After the Constitution was written they appointed Alexander Hamilton, the greatest governmental genius the world ever knew, I think, and I think to whom we owe more as American citizens than to anybody else who ever lived, outside of Jesus Christ, and with him they appointed James Madison, afterwards President of the United States, and John Jay, afterwards Chief Justice of the Supreme Court, to interpret the Constitution to the country. After several conferences they designated James Madison as spokesman to interpret the Constitution to the people.

Mr. Madison began his discussion by propounding the simple inquiry: "What then are the characteristics of a republic?"

That sounds like a very simple question, and yet if you were to submit to the college graduates of this country the problem of writing a thesis of two hundred words of what constitutes a republic, I am quite certain you would be disappointed in 95 per cent of their replies.

I was speaking at one of the state universities, where the students had received from 12 to 15 years of education at the expense of the state, and I asked of those students how many of them had read the Constitution of the United States, the greatest human achievement since creation, and not 30 per cent of them had ever read the Constitution.

Mr. Madison followed up that question by discussing the fact that 133 years ago we have sometimes spoken of Venice and Holland and England as Republics, and then he came down to the discussion of the use of "democracy."

Now, in discussing that, you understand, I have no political party in mind at all. What I have in mind is that an autocracy derives its power through heredity, and a republic is a strictly representative form of government and a democracy is a direct form of government, and for 20 years we have been drifting from representative form of Government to direct form of government.

You will find this in the Federalist, which is generally conceded to be the greatest Government organ, and these are Mr. Madison's words:

"Hence it is that such democracies have ever been spectacles of turbulence and contention; have ever been found incompatible with personal security or the rights of property, and have in general been as short in their lives as they have been violent in their deaths. Theoretic politicians, who have patronized this species of government, have erroneously supposed that by reducing mankind to a perfect equality in their political rights, they would, at the same time, be perfectly equalized and assimilated in their professions, their opinions and their passions. . . . A republic, by which I mean a government in which the scheme of representation takes place, opens a different prospect, and promises the cure for which we are seeking"—explaining at great pains then the difference between a republic and a democracy. And later on in reply to the 16 men who refused to sign the Constitution, and had given their reasons to the governors and legislatures from which they had received appointment, he says:

"They confounded the meaning of a republic with a democracy and attribute to the former reasons drawn from the nature of the latter." I do not see how you can make it clearer.

Until you can make that point clear, in my judgment, to the American people, you are going to have difficulty in driving home your economic or your industrial thought.

Now, I have written these books and I have been going from one end of this country to the other, talking about representative government, and I have found that it is difficult to make a point clear to an audience in governmental terms, because we have not been thinking about government, we have not been thinking about governmental terms. If you were to ask an average person to write the definition of "republic" or "democracy" or "autocracy," you would be surprised at the result you would get; and yet those words have been in pretty common use in recent years and they have come to be pretty much anything that anybody happens to have in mind at that time. So I have found that sometimes in using an argument if you can apply an analogy that you can drive the point home more clearly, and so I have chosen the great game of baseball.

If the American people knew as much about the

Constitution as they know about the rules of baseball, all the troubles we are having in business and in industry would disappear in 24 hours. (Applause.) And I am glad they know the rules of baseball, because it is a splendid game and because we need relaxation; but baseball has come to be the greatest game the world has ever known. When you contemplate baseball in terms of time and money, it is almost appalling, but baseball is played strictly according to rule. No thought on the part of anybody that they will not play according to rule.

Democratizing Baseball

Now, the only thing that we swear our public officials to do is to uphold the Constitution of the United States. They swear to uphold the Constitution of the United States. I would not assert that any politician in the last 20 years, from the top-most down, had paid much attention to that oath. There is just one thing that we swear them to uphold and that is the Constitution of the United States, and the thing that is the matter with the United States is that that oath has been taken largely in ignorance and with too much indifference.

Now, suppose in a game of baseball we were to rely upon hereditary value for our players or umpires or managers and no one could play baseball or manage a baseball team or umpire a baseball game unless his parents had done that before him. Then the game of baseball would degenerate just as the hereditary form of government does. But when we play baseball and when we select an umpire or a manager or a player and he sets out to take part in that game he has to do it according to the rules. When we select an umpire to umpire the game he is expected to umpire according to the rules; when he says "Ball" it is a ball; when he says "Strike" it is a strike; when he says a player is out, the player is out; when he says the player is safe, the player is safe.

Now, even if his eyesight happens to be faulty and he errs in that ruling and all the people in the bleachers—ordinarily 90 per cent of the bleachers are against that decision, it still stands, and you could not continue baseball successfully unless it did stand. In the event of his erring too frequently in his rulings, the only remedy would be to select another umpire who would play the game according to the rules and make fewer errors.

But suppose that at a time when he is ruling on strikes and balls, in response to a protest from the bleachers—ordinarily 90 per cent of the bleachers are with the home team because they happen to live there, and they are not worried very much about whether it is a ball or a strike and the only thing that concerns them is what would be best for the home team—but suppose that in response to a protest from the bleachers, some demagogue of the type that this country has been cursed with for 20 years should step out and say, "Baseball is the game of the people, by the people and for the

Suppose the next statement would be: "We have paid our admission and this is our game." More applause. "We object to the ruling of the umpire and we should take matters into our own hands."

All right. How would he go about doing it? By taking a vote? In order to take a vote it would be necessary to provide ballots, secure voting booths, appoint judges and clerks, a board of election commissioners, a court to pass on frauds, and so on; and by the time you have taken action on one ruling it would have taken more time than to play the entire game, so your game would be ruined. It would cost more money on that one ruling than the entire gate receipts amounted to. So you would be there with your game unplayed and with a deficit; nothing left with which to pay the players or managers



CHARLEY JONES OF NASHVILLE

or umpires and nothing to use for the conservation of baseball properties. Then it would be necessary to create boards to levy income taxes and excess profit taxes upon the spectators, upon the players, and having taken in their own hands the decision of that ruling, why, someone would say, "Why, I have got a friend down there among the substitutes that I would like to get into the game and I think I will introduce a resolution to recall one of the players so that he may be selected." (Applause and laughter.)

Now, of course, this would be humorous if it were not such a tragedy.

Now, suppose we were to take 25,000 people out here to the big baseball park at Thirty-fifth Street and Wentworth Avenue this afternoon and where they played the game strictly according to rules, had a successful game. The people who went there would go away from that game with respect for the American institution of baseball.

But suppose the next day these same people went to the ball game. Take the same 25,000 people out there that you had out there yesterday. Don't change their religion, don't change their education, don't change their industrial relationship, don't change the economic situation of the country; but just take those same 25,000 people out there the next day and try to play that game according to the bleachers, and upset all the established rules of baseball. Then they go out of there, when they leave that baseball park, they are a different people; they have been transformed in 24 hours. The young people go home and say "What is the use of paying any attention to our parents? Why, 66 per cent of the crimes committed against the state of New York were done by young people between 16 and 21 years of age last year, and it is the outgrowth of this sort of thing, this talk about democracy. People would go to their work and say: "What is the use of paying any attention to the men who run this industry? We will take things in our own hands." And you will find they will finally ruin the business.

You let this legislation go on and when it begins to come home to where it touches people directly, then they begin to realize, at least, something about what has been done. I have been talking all the time for nearly three years about it, and when these things come they are never any surprise to me.

When we put Russell on that board to go to Russia—he had been standing on the street corners for 14 years assaulting government institutions, and when we sent him over there it was easy enough to know what would happen.

When the Constitution of the United States was written, the conditions were as dark as anything ever known in the world, and that constitution did not change the religion of the people, it did not change the sun or the moon or the stars, but it changed

from the direct, to the strictly representative form of government that they adhered to quite clearly for 100 years, and the change came about.

Drifting Away from the Constitution

Notwithstanding the fact that during the hundred years that we adhered to the guidance of the wise provisions of the Constitution we made more progress in this country than had ever been made by people in all the history of the world before, during the latter part of the century we began drifting away from the Constitution and taking up popular fallacies, such as the initiative, the referendum, recall boards, commissions, excess legislation, class legislation, and so forth, and we acted as though those were all new things, and we did not know that those things had all contributed to the downfall of Greece and Rome and that they were discussed in the Constitution conferences by the wise men who wrote the Constitution.

Among the 55 men who went there to that Constitutional Congress, only 39 signed the Constitution; 16 refused to sign it, and those 16 who refused to sign were filled with a lot of those vagaries that we have been listening to in the last few years; and those 39 men who signed the Constitution were probably more familiar with the history of government than any other men who ever lived. When one of those 16 would come along and say: "We want to write this in, to recall the judges." One of the 39 members would say, "Why, that was tried out 2,000 years ago and the result was chaos." Then another one of those 16 would come along and say, "We want to write this in," and one of the 39 would say, "Why, that was tried out 3,000 years ago and resulted in chaos." Finally those 16 members realized that could not get anywhere with the 39 members, because there is no argument in favor of those things; they are just brain storms. But these 16 men said, "Unless you write into this Constitution some popular fallacies to please the people, your Constitution will not be acceptable to the people."

And then George Washington rose and said: "I doubt if anything we do here will be accepted. Perhaps another great conflict is to be sustained. If to please the people we offer them what we ourselves do not believe, how can we afterwards do our work? Let us raise a standard to which the wise and honest can repair. The event is in the hands of God." (Applause.)

Now, this is a big subject, and you have a long program, and I know you are anxious to hear the president's address. My time is limited and there are so many things I want to say to you.

The Greatness of Our Constitution

I want to say, first, that the Constitution marked the greatest event in the history of the world and that from a chaotic condition the people emerged into a condition of progress, such as won the admiration and respect of all the world, and held the world



GEO. E. BOOTH EXTENDED THE GLAD HAND

in awe for 100 years; and, secondly, that this was kept strictly a representative form of government up to about 22 years ago.

Of course, we are hearing on all sides, that this was all due to the war. I do not agree with that and I do not believe the thoughtful people will agree with that statement. Today, in the United States, there are 5,000,000 idle men. In 1914 there were 7,000,000 idle men. If you will go back and look at the conditions existing in this country in 1914, you will find we were approaching this state of affairs very fast, and the war came along and things stopped for awhile, and when the war was over we naturally came right back to the conditions that were developing before the war. (Applause.)

Now, I want to give you an illustration of how the initiative and referendum work. Suppose we



ELMER HUTCHINSON WAS THERE

people." Suppose we should say to the umpire, "You must keep your ear close to the ground. See that great wave of public sentiment out there." Really, it was not public sentiment at all; it was nothing but a little selfishness in their own interests; but suppose at a time when sentiment is running pretty high some demagogue of this type I have spoken of, which this country has been cursed with in recent years, should step down and say, "Baseball is the game of the people, by the people and for the people." That would win great applause. That would be true, but Lincoln did not say that was democracy. The word "democracy" is very conspicuous by its absence from Lincoln's vocabulary, and he never advocated any measure of direct action.

were going to make medicine "safe for democracy," and somebody should be taken sick in your own family and you should go to the telephone and call up the doctor and say that so and so was sick and "I wish you would come right out." The doctor would say, "I will come right out." As soon as you hung up your telephone receiver you would say, "This is a democracy on medicine, so while the doctor is getting here I will circulate a petition among my neighbors and have them write down what the doctor shall do when he gets here and what is the matter with the patient." Well, the doctor comes and he takes the blood pressure and makes a heart test and make such other diagnosis as he feels is necessary in order to treat the patient intelligently, and having asked what questions he wants to and having made his diagnosis, he prepares to treat the patient, he prepares to write a prescription, or he takes something out of his grip, and you say to him, "What are you doing there, doctor?"

The doctor would say, "Getting ready to treat the patient." You would say, "Doctor, you don't seem to understand the situation. You are not a very forward-stepping gentleman. We are living in a new era now. Step over here. Here are all your instructions and they will tell you what is the matter with the patient and you are to follow those instructions." The doctor shakes his head and says, "If I do that it will result seriously for the patient." You say, "It doesn't make any difference. Follow those instructions or you won't get your pay." He has his choice between sacrificing his self respect or going home without his pay.

That is exactly what we have been requiring of our public men and that is why we have reduced our statesmen to demagogues. That is exactly the reason.

Government is a Science

Now, another thought I would like to leave with you—I wish I had more time to surround it with evidence—but if I could get you to carry this thought away with you, whether you agree with it or not, in connection with your grain business, that when the men wrote that Constitution and founded this government, it was to the science of government all that the 10 digits were to mathematics, the alphabet to language and the scale to music. Government today is as dark as science without the Constitution, as mathematics would be without the 10 digits, as mathematics would be if there

Constitution, and asking all of those of you who have studied the Constitution to raise your hands. Now, that is the situation. You can take a university audience, a high-brow audience, and you will find the same situation exists. Now, just think of those thousands of students who had never read the Constitution, those students who had been educated for from 12 to 16 years at public expense, and had never read the Constitution of the United States. One hundred and thirty-three years away from the Constitution and not 20 per cent of the American people have read it. One hundred and thirty-three

Russia has been putting together and North Dakota. (Applause.) Well, one day he heard that welcome "tick-tock" and he got it from the mechanism that he had put together; and when he first heard that "tick-tock," if you had gone up and said, "That idea will be on the wrist of nearly every boy in the great war, people will regulate their affairs by it, it will regulate the affairs of great railway lines to be built in the future, after we have discovered the power of steam, great railways that will span the continent," don't you think he would have been surprised?

Suppose the man who got together the five lines and four spaces and wrote in there do, re, mi, fa, sol, la, ti, do, and had gone up and told him that from that combination in the future we would hear the piano, the flute, the cello, the band, choruses and solos, and all the other musical instruments and musical combinations, don't you think he would have been a little surprised?

When Mendelssohn wrote his oratorios, he did not go around on the street corners and say "We ought to amend the science of music. I want to write something but I will have to do a lot of studying and if we can just agree to it, I won't have to do so much work." He did not do that; he knew that when he wrote an oratorio it was necessary to understand the scale of music, perhaps better than anybody else had ever understood it before.

Too Much Indifference to Public Welfare

That is the point I want to bring home to you. This has been the mental attitude. I am talking now of the business men as a group. I believe they are functioning more normally together, as a group, than any other men; but up to this time the difficulty has been just simply rank indifference. You paid no attention to anything that did not touch your own private business.

In a representative government, it is necessary to exercise judgment in the selection of officers. Now, you have treated that matter with the greatest indifference, the same way you would have treated marriage, if you had said "I want to get married and the first woman who comes along I will make my wife. I will talk a lot about cooking and sewing and I will call a convention and have a set of resolutions passed and sent to her about what she ought to do." The whole thing is in the selection of public officials in a representative government. I



B. E. CLEMENT



J. W. McCORD
Chairman



CHARLES QUINN



JNO. S. GREEN



P. E. COODRICH



ELMER HUTCHINSON

THE EXECUTIVE COMMITTEE

years after the 10 digits were written, people were going around and saying: "There is a better scheme than that in which to work out the science of mathematics, for finding out how much our bank balance is," but when the man one day looked at his 10 fingers and the thought flashed across his mind, one, two, three, four, five, six, seven, eight, nine, naught, how far do you suppose the man had wandered from the idea? Don't you think he would have been surprised if you had gone up and tapped



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San Francisco, Calif.



S. C. ARMSTRONG
Seattle, Wash.



W. B. BASHAW
Montreal, Que.



GEO. P. BISSELL
Central City, Neb.



FRANK L. CLARK
Portland, Me.



E. M. COMBS
Chicago, Ill.



W. CAREY COOK
Fort Collins, Colo.



JESSE J. CULP
Warrensburg, Mo.



LEE DAVIS
Scranton, Iowa



L. W. FORBELL
New York, N. Y.



H. B. FOWLER
Charlotte, N. C.



W. T. CREELY
Great Falls, Mont.



JNO. S. GREEN
Louisville, Ky.



JOY M. HACKLER
Omaha, Neb.



W. T. HALE, JR.
Nashville, Tenn.



MARSHALL HALL
St. Louis, Mo.



ELMER HUTCHINSON
Arlington, Ind.



A. S. MACDONALD
Boston, Mass.



J. W. McCORD
Columbus, Ohio



W. W. MANNING
Fort Worth, Texas



B. C. MOORE
Kansas City, Mo.



W. M. RAOUELS
Enid, Okla.



ROBERT RYON
Lansing, Mich.



H. L. SHELLENBERGER
Geneseo, Kan.



C. O. STURTEVANT
Omaha, Neb.



HENRY E. WACK
Baltimore, Md.
Deceased



E. M. WAYNE
Oelavan, Ill.

DIRECTORS OF THE GRAIN DEALERS NATIONAL ASSOCIATION, 1920-1921

was no agreement that two and two make four. Government is just as susceptible a science as mathematics, and there are things just as inevitable as the law of gravitation.

As soon as Russia became a democracy Russia began to display exactly the results which have characterized every democracy of history, and the enthusiasts became apologists and coined the word "Bolshevism," which in derivation means the same as democracy.

Now, we are only 133 years away from the Constitution, away from the writing of the Constitution. You are a wide-awake, intelligent, bright audience of men, and I would not want to embarrass you by asking how many of you have studied the

him on the shoulder, and said, "You have laid there the foundation for the science of mathematics; you have laid the foundation by which in future years great skyscrapers will be erected, great bridges will span rivers, astronomers will be able to compute the distance to the stars, and they never need know anything except the application of those 10 digits."

Suppose when the men who had put the mechanism together to make the timepiece, the clock, and you can imagine that he put a great many things together before he obtained the result he desired; just as they spent so many years trying to put governmental things together and failed until we put that Constitution together. You know the kind of things that

want to drive that home as forcibly as I can, whether you agree with me or not. You cannot possibly just let anybody go down to the halls of Congress and then have them resolve themselves into good public officers, and especially if they have committed themselves beforehand to a lot of Socialistic heresy.

Now, I am not talking about any special political party. They say it is the Republican or the Democratic party. I want to say that of the 22 states who have adopted the initiative and referendum and the recall, 15 are so-called Republican states and seven are so-called Democratic states. So, you see, there is not so very much difference.

From 1900 to 1910 they more than doubled the ex-

penses of the Government, and there was not any excuse, and you all know what party was in power then. I am only saying that that does not answer the question entirely, as statistics will prove.

Now, as I say, they hear these rumblings on every hand and they say, "What can I do to protect my business?" But you will have to get a broader vision than that in order to protect the country.

Suppose that Washington, in the earlier days, had said, "How can I protect my farm? I guess I will get a gun and protect my farm in Virginia." The chances are he would have moved west. Suppose Benjamin Franklin had said, "I must protect my printing office." The chances are he would not have had any to protect.

Suppose Alexander Hamilton had said, "I am the ablest man in the country. I must protect my law business." And suppose in order to do that they said, "We must set this Government in order; we must establish an order covering individual rights as against Socialistic ideas. We must have representative action as against direct action." (Great applause)

We must have representative action as against direct action. There is no man too rich and no man too versatile and no man too wise to give his time to his country; and when you set the country in order and live up to the greatest heritage that has fallen to any people, you will have gone further to protect your business than in any other way. It is perfectly proper that we should want to protect our business.

Those are the three thoughts I want to leave with you. First, that the Constitution is the remedy. Second, that a substitution of direct action for representative action is the cause of most of these chaotic movements. Third, you must pay attention to the business of putting this country in order, doing your duty as a citizen, either serving yourself or selecting the right kind of men for public officials; and in that way you are not only preserving this country for yourselves but you are preserving it to pass on to posterity. (Great applause.)

Our Constitution an Inspired Work

In closing, let me make this point, and then I am through: In my judgment, that Constitution was as much inspired as the Bible. You remember, perhaps, how that great body of men, great from the standpoint of physical vigor and mental acumen, the greatest that ever assembled anywhere for human achievement, met day after day for five weeks without writing a single sentence.

Think of it! Five weeks without writing a single sentence. Well, probably they got pretty tired of discussing the question, but they stayed there for five weeks and worked day and night, without a precedent to guide them, trying to solve the problems of a country that was threatened. George Washington said he could see nothing ahead but the black night of anarchy before the Constitution was written.

After five weeks of futile effort in the Constitutional Convention, in the midst of a heated discussion they were about to adjourn and abandon the great purpose for which they had met, and George Washington arose with a pale face and looked down at Benjamin Franklin who was sitting down in the Convention, 82 years old, hoping that something would occur to that old philosopher which would make it possible to keep them together for another effort. Benjamin Franklin arose, and looking at that body of men said: "Mr. President, we have been groping for five weeks in the darkness, searching for political truth, and we have not found it."

His exact words were:

"In this situation of this assembly, groping, as it were, in the dark, to find political truth, and scarce able to distinguish it when presented to us, how has it happened, sir, that we have not hitherto once thought of humbly applying to the Father of Light, to illuminate our understanding?"

"I have lived a long time, and the longer I live the more convincing proof I see of this truth: That God governs in the affairs of men. And if a sparrow cannot fall to the ground without His notice, is it probable that an empire can rise without His aid? We have been assured, sir, in the Sacred Writings, that except the Lord builds the house, they labor in vain that build it. I firmly believe it; and I also believe that without His concurring aid we shall succeed in this political building no better than the builders of Babel."

If I had my way there would not be a boy or girl receive a diploma from the eighth grade, as long as the expenses are paid by the public, until they could recite that address of Benjamin Franklin and the one from Washington, and the Constitution, and know of everything they did there. That is really manufacturing 100 per cent Americanism. (Great applause.)

Benjamin Franklin closed with an appeal that they open the next session with prayer, and from that moment they began to make progress.

In 1887, on the 100th anniversary of the Constitution, great statesmen from all countries were invited to be present, and the great William E. Gladstone, who served in the public life of England longer by seven years than Joe Cannon has served

in this country—and you know there is no inclination to pay compliment to things done over here without some cause—but Gladstone, in replying and sending his regrets, said:

"I regret that I cannot come. As far as I can see, the American Constitution is the most wonderful work ever struck off at one time by the brain and purpose of man."

And William Pitt, who was Prime Minister of England at 24—just think of it, Prime Minister of Eng-



F. E. WATKINS, FIRST VICE-PRESIDENT

land at 24, the man who held England steady during the French Revolution—and that is the purpose of a statesman, to hold the country steady, not follow the mob, and when William Pitt, over a hundred years ago, read our Constitution for the first time and came to the last line, he exclaimed: "It



D. M. CASH, SECOND VICE-PRESIDENT

will be the wonder and admiration of all future generations and the model of all future constitutions."

And it should have been; and if we had followed it closely, many of the problems of the last century would have been eliminated.

So I am glad to make this appeal to you at this time when you are considering seriously some of the problems that are confronting you, to include this idea of the Constitution, this idea of representative government, in your educational campaign; because every page of history and every line of experience proves that you will get nowhere without

it, any more than you would undertake to teach mathematics without the 10 digits.

I wish I had more time, but I am very glad to have met you. (Great applause.)

Mr. Dorsey: I want to make a motion that we have a rising vote of thanks to Mr. Atwood. That is the most wonderful address I have ever heard in my life, in that short length of time. I move you, sir, that we extend a vote of thanks to Mr. Atwood for the wonderful address.

The President: Is there a second to that motion?

Mr. Crouch: I want to amend that motion a little, Mr. President. I don't feel that we can do Mr. Atwood's address the justice it is entitled to. I will ask this body at this time to declare that forever and hereafter our slogan shall be BACK TO THE CONSTITUTION.

Mr. Dorsey: I will accept the amendment and thank Mr. Crouch for making it.

A Member: I will second that motion, Mr. President.

The President: Those in favor will rise. (The motion was unanimously carried.)

The President: Before we proceed I want to announce the Nominations Committee. E. C. Eikenberry, chairman; John E. Bishop, Houston, Texas; William Rankin, Cambridge, Neb.; F. A. Derby, Topeka, Kan.; Lee Davis, Scranton, Iowa; E. H. Beer, Baltimore; and Charles Jones, Nashville.

Mr. Reynolds: Will you please make the announcement about the Legislative Committee?

The President: The Legislative Committee's chairman desires to meet the members of that Committee at a quarter to two, in front of the Registration Booth.

President Clement then read his annual address, as follows:

PRESIDENT'S ANNUAL ADDRESS

CONSIDER that we are assembled in the twenty-fifth annual convention under auspicious circumstances. When we were in convention last year we were dropping from the heights of an unprecedented prosperity to depression the depths of which none could foresee and from the pains and perils of which none could escape. The declivity was much greater and the slide more precipitous than most of us could comprehend, or comprehending, were willing to admit. Then we were going into depression. Now we are coming out of it. Then we were experiencing the agencies of uncertainty and doubt. Now, while not enthusiastically optimistic, we are confident of the future. Then a cloud of pessimism was settling upon the nation. Now the sun of hope is beginning to climb out of our night of despair, shedding a ray of light here and there. Then the day of our prosperity was ending. Now after a long night during which the star of hope never once failed to gleam there is ushering in a new day.

Shrinking values in farm products was superinduced by both natural and artificial causes. The natural being both wise and desirable; the artificial being unjust and reprehensible. It was to be expected that with the ending of the world war; the demobilization of the armed millions, the reparation and relocation of those millions whose efforts had been diverted from the pursuits of peace to the projects of war, from production to destruction, from active self sustenance to governmental provision and support, that the reflex action would inevitably stem the tide of advancing values. It was to be expected that when the martial millions no longer marched valiantly to the music of war but dutifully joined their fellows and families at home in the normal pursuit of the arts of peace a definite downward trend of values would surely ensue.

It was to be expected that when the world shipping was released and rendered secure that the dammed up supplies of raw materials and merchandise of countries remote from the scenes of war would again flow into the channels of trade thus contributing to bringing about an adjustment that would eliminate the disparity between supply and demand. It was to be expected that a resumption of peaceful pursuits by the Allies and the common enemy would reduce the strain upon the productive resources of the world. It was to be expected that with increasing production and the widening circle of its availability declines must surely follow.

It was not to be expected, however, that to these superabundant natural causes there should have been added Governmental interference and restrictive financial influences. It was not to be expected that the Government itself would listen to the agitation against the high cost of living and function as no government has a right to function in an effort to influence the trend of values.

It was not to be expected that coupled with the demand for liquidation there should also be one for deflation and that to bring it about a restriction of credits would be inaugurated by the Federal Reserve System which at once resulted in a breaking down of confidence, a general disorganization of business, a precipitous and disastrous slump in the value of all production.

The Cause of Declining Values

The tremendous expansion of credits was made necessary by the exigencies of war. Our Government had to be financed, our armies supported, our allies provided with funds, our expanding international and domestic trade amply provided for. All this was magnificently accomplished through the instrumentalities of the Fed-

eral Reserve System. It proved its worth. It demonstrated the wisdom of those who sought to financially emancipate this nation by providing a means of liquidizing its assets. It evoked the praise. It commanded the respect. It built up the trusting confidence of the nation. It proved so efficacious that the business interests and all interests of the nation came to look upon it as an infallible and unfailing power.

However ready we may still be to admit its unfailing power we are not now so ready to admit its infallibility. This is said in no spirit of carping criticism. I believe however that I speak the almost unanimous conviction of the business interests of the country that the attitude of the Federal Reserve System, coupled with the natural causes which should have been permitted to have operated singly and alone, caused the rapidly declining and low descending values that marked the passing of prosperity and the presence of depression.

I cannot but express my profound conviction that there is something radically wrong with our financial and economic system when the mere measure of value determines whether we enjoy prosperity or suffer depression. There was no lack of primary production, no breaking down of distribution, no absence of markets, no failure of the national health or strength. Every factor that makes for prosperity was either normal or abnormal. A subnormal condition existed nowhere. The appreciation of the dollars, brought about by the restriction of credits, was inevitable especially in view of the demand for liquidation. There could be no liquidation without sales. Sales could be effected only at sacrifices that utterly destroyed the purchasing power of the producers, the utter lack of whose buying power closed the factories, checking urban production, thus swelling the ranks of the silent stalking idle multitudes who as yet can find no employment.

I assert it as my deliberate judgment that there was not one single legitimate reason, national or international, for the breaking down of the commercial, industrial and productive prosperity of America. The period of reconstruction for Europe should have meant continued prosperity for us and the measure of our prosperity would have been the limit of our ability to have assisted in the great work of reconstruction there. Unfortunately, however, for both America and Europe, at the very time our ability to have extended financial and credit assistance should not have been impaired, we were actually struggling with a violent reaction that involved the necessity of utilizing every financial, credit and productive resource of the nation to prevent individual and collective bankruptcy.

However, the sacrifice has now been made. The immeasurable folly has been propitiated. The patience, the courage, the intelligence and the genius of America are equal to the gravest difficulties. Just now the work of overcoming them is progressing favorably. Cotton, the foremost raw material of the world, has staged a comeback. The great suffering, the immeasurable loss following in the wake of its unprecedented decline will be a reminiscence when this crop is finally sold on a basis of 25 to 30 cents per pound. The advance in cotton should stimulate faith in the value of all products and the courage to demand a proper reflection of it.

This nation cannot thrive on 25 cent oats, 40 cent corn, dollar wheat and 10 cent cotton. Our national annual tax burden running around \$5,000,000,000 is almost more than twice the value (basis present levels) of our four principal crops—cotton and corn, wheat and oats. There are nearly 50,000,000 American citizens engaged in or directly dependent upon agricultural pursuits, yet the returns on four of their principal crops yield but little more than half the amount of our annual Federal expenditures.

Governmental Tax Burdens

It is staggering to think of the Federal tax burden. But it is positively appalling to think that this is the expenditure of only one branch of Government. We have in addition the state, county and municipal governments to support. A return to normal therefore cannot mean, and ought not to mean, prewar values for farm products. The tremendous tax burden, the high transportation rates, the greatly increased labor and interest costs all are factors that must impress us with increasing force that normalcy doesn't mean low values, or indeed values measured by those of any particular period, but, normalcy means and can only mean a return to a proper relative price level—a price level that takes account of modern standards of living, high labor, transportation, interest and taxes.

The calling of conferences in Washington to consider the question of unemployment, while commendable, cannot be of any very great practical value. The breaking down of the commercial and industrial superstructure of the nation can be traced to one fact alone—the decline in the value of the products of the farms and ranches to levels that have destroyed the purchasing power of the producers of this country. Only a restoration of remunerative values for farm products that will enable the producer to meet his obligations and restore his purchasing power will start the wheel of industry and wipe out unemployment.

Greater evils than losses or unemployment flow from difficulties that afflict the producing masses of this country. In the past this branch of our citizenship has been the one whose conservatism has steadied the nation in its crises. In the past the serenity of their environment has reflected itself in their calm judgment and their freedom from the vagaries and isms of the times. During the past year however, their difficulties have been so

great that the forces of radicalism have been able to drive an entering wedge and there have been manifestations wholly at variance with the traditions of American agriculture. In its distress it has sought relief through the ordinary methods but finding none have resorted to dangerous and revolutionary experiments, appeals to the government for class legislation or yielding to the importunities of designing agitators who in an effort to make large places with big salaries for themselves are endeavoring to tear down the great competitive system of handling the grain commerce of this country.

The Results of Agricultural Agitation

The agitators, aided and abetted by public officials, have endeavored to secure the sanction of national and state legislation for foisting upon the American people, producer and consumer alike, a trust that would first tie the producers of this country to their nefarious scheme by a system of contracts that would despoil them of their products, and then rob them of both the right and the capacity to protect themselves. To make the producers their pliant tools and the consumers their willing victims, they misrepresent the competitive system, they denounce the middleman, they present false and misleading figures with which they endeavor to deceive the one and delude the other.

In addition to this they go to Congress seeking legislation designed to destroy the great exchanges of the country. They seek the same ends through the state legislatures. Bill after bill has been introduced in Congress seeking to open the treasury of the United States to the agricultural classes and designed to precipitate the Government itself into the great business of grain



PRESIDENT CLEMENT HAILS FROM TEXAS

distribution. Only the most vigorous opposition has prevented the consummation of the purposes of those who would destroy the established order of business.

Recognizing the growing menace of the radical agitation finding as it did a ready response on the part of those whom it was designed to mislead and others whose purpose it was to deceive; perceiving the alacrity with which politicians were seeking to ingratiate themselves with the agitator by vying with one another in an effort to propose the more radical legislation, the Grain Dealers National, at the suggestion of Chairman Reynolds of the Legislative Committee, determined to call a conference of the grain and other business interests of the nation. This conference was held at Cincinnati on June 27.

The opposition of the Grain Dealers National Association to the activities of the agitators was definitely announced and formally launched at this conference of representatives of grain and numerous other business interests of the nation, held at Cincinnati on June 27. This opposition is not founded upon any base or sordid motives, but has its origin in a deep conviction that the agitation of recent years against the middleman and also those agencies of distribution that have been the outgrowth and the concomitant of our splendid national development, has finally been crystalized into a class effort that threatens the perpetuity of the competitive system of commerce in grain, and indeed all enterprises.

Socialistic Schemes and Destructive Forces

The cooperative movement or effort offers no threat, by and of itself that the competitive system has any reason to fear or right or necessity to oppose. If the cooperative system could, in the field of commerce, prove itself more efficacious, more efficient, increasing returns to producers and reducing costs to consumers, such a system would easily excel and rightfully exclude the competitive system. We are not being confronted with or by any organization whose constructive features are to put us to the test to prove which is the better. We are, however, confronted with an organization whose

socialistic schemes and destructive forces are aimed at crippling the competitive system by both National and state legislative enactments; an organization which has enjoyed and continues to enjoy special favors at the hand of our Government; an organization whose avowed purpose it is to build up a trust in farm products, having already endeavored to secure national legislation granting them immunity from anti-trust laws of the nation; an organization that preys upon the prejudices of the producer and plays upon the credulity of the consumer; an organization that will not trust the loyalty of its adherents for support, but ties them with iron bound contracts, the terms of which subject them to severe penalties, that fetter and bind them not for a season, but for years, a contract that is an insult to an intelligent man and an imposition upon an ignorant one; an organization whose large self-voted salaries will enrich the promoters, and whose false doctrines will delude and then destroy its votaries.

A Defense of the Middleman

There has been a growing tendency on the part of the public and the press to depreciate the services of middlemen, to ascribe to them the qualities of leeches, to protest and pillory them. The agitators have taken up the cry and endeavor to convince the producer and consumer that the middleman is the enemy of both. It is so utterly unfair to us, being conscious as we are that we are the enemy of neither but the servants of both, competing among ourselves so strenuously as to all too often illustrate the truth of the axiom that "Competition is the life of trade" but death to profits.

There is, and can be, no feeling of enmity for, or disregard of, the interests of the great producing or consuming masses of this country on the part of those engaged in the splendid and necessary business of distribution. But there are those who by unwitting misrepresentation or mendacious statements would array them against us. It is to combat these forces, to confront falsehood with facts, to oppose insidious propaganda with accurate information that the Grain Dealers National Association, and its conferees, created an active committee headed by R. I. Mansfield at Chicago.

We are in no sense arraying ourselves against the farmers. We are opposing their misguided or selfish and designing leaders—those men who would tear down the established order of business and erect a trust of which they themselves shall be the masters; those who would involve our Government in their schemes or whose activities are directed toward securing class legislation.

To communize the agricultural classes of America would be to destroy their individual initiative and enterprise, render them utterly at the mercy of their leaders, bringing wreck and ruin upon America.

A Fight on Radicalism

The Grain Dealers National Association is definitely pledged to a ceaseless effort to preserve, protect and defend the established order, because in it we have freedom to give expression to our talents and to reap the rewards of our efforts. Chairman Mansfield, ably assisted by Minthorne M. Day of Chicago and the balance of the Committee, has done a wonderful work in defense of the interest of the grain trade of the nation.

The Committee is conducting a great educational campaign that exposes the fallacies of the enemies of the grain trade and acquaints the great American public with the real service being rendered both the producers and consumers by the competitive agencies now in existence. The work of this Committee should continue as long as there is an effort being made to strike a death blow to the competitive system by signing up the farmers of the country to the trust contracts. I sincerely hope that every member of the Association attending the convention will make it convenient to be present when Mr. Mansfield makes his report.

In his annual address at the Minneapolis convention, President Goodrich outlined the imperative need of just such publicity work as is being done by the Special Committee headed by Mr. Mansfield. He foresaw then just what happened later,—a movement to cripple or destroy the competitive system of handling grain. A movement that has enlisted the zeal of the agitator, the interest and sympathy of the politician, the personnel of the Department of Agriculture, and finally, the power of Congress itself. We were admonished, therefore, that to stem the tide some agency must be created charged with the duty and responsibility of disseminating information to counteract the misrepresentation that was responsible for the dissatisfaction of the producers and the co-operation of public men in efforts being made to make effective through radical and class legislation the designs of those who would destroy the established order.

It behooves this convention to express its commendation of this Committee and to urge its moral and financial support of every member of the National, all affiliated organizations and every business interest of the country. For this is not the fight alone of grain dealers against agitators. This is a fight of the conservatism of this country against its radicalism. This is the stand for the established order against a threatened new order. This is a fight to maintain American ideals against those who would destroy them. This is a fight to perpetuate individualism instead of surrendering to communism. The designs of those who would revolutionize and destroy are no longer in their incipency.

Their plans are well laid, their purposes no longer concealed. Silence, submission, compromise are cowardly in the face of the danger that threatens.

For years I have watched the development of one of the most potent sources of their power and influence. I have observed with what apparent innocence, yet with what cunning, these designing agitators have either secured the passage of laws, or perverted the purpose of laws that were passed with proper perspective and intent.

The County Agent's Present Day Activities

Through the Bureau of Markets of the Department of Agriculture, operating under the authority of the Lever Act, but at cross-purposes with its intent and in direct violation of its provisions, negotiating arrangements with the several states through their agriculture colleges, county agents have been put under the joint control and direction of both state and Federal authority. While the purpose and intent of the county agent was to provide scientific instruction and direction, with the sole purpose of increasing production through the development of improved farming methods, about the sole activity of the county agent today is that of the agitator seeking to discredit the competitive agencies engaged in handling the products of the farm, or acting as a distributor for farm products as far as he is able, or seeking to promote co-operative agencies whose avowed purpose it is to supplant the local dealer.

We know that there is no purpose on the part of this Government to employ the taxes paid by all citizens to strike a blow at any class of its citizens. The sole responsibility for this condition lies with the petty politician, and bureaucrat, the pseudo-economist, the department heads, the local farm agitator, the socialistically inclined agricultural college professor and the misguided farmer.

The weekly market news letter issued by the Department of Agriculture contains continuous propaganda for the creation of co-operative agencies, recounting the various exploits of county agents in pooling the products of the farm and selling them at higher prices than the dealers were offered for them, failing to state that when the pooling began the market was low, but when finally the process of pooling was completed the market had advanced and that on a rapidly advancing market the pooled product, as in the case of wool, was consigned to Boston and there sold at peak prices, when a comparison, intended to mislead and deceive, was made with returns such wool producers would have received had they accepted offers made them when the county agent began to organize the pool.

This is only one illustration of the unlawful and unjustifiable practices of county agents. Complaints of their commercial activities have come to us from all over the United States. We know that they use the franking privilege in carrying on their merchandising activities. We know that they are coached and encouraged in this character of work by the official of the Department of Agriculture. We know that, due to their activities all over this country, the seeds of discord have been sown among the agricultural classes, that a feeling of antipathy for and mistrust of those engaged in competitive distribution has been engendered; that official direction and official assistance is being rendered in the building up of local co-operative agencies, and that finally, as a result of this local co-operative move, there has been evolved the national plan of co-operative grain handling. The formation of this plan has had not only the sanction, but the actual personal direction, of officialdom.

The Grain Dealers National has challenged this misuse and abuse of official power. Not because of selfish or sordid motives, but because we realize the menace that lies therein to American institutions; because we realize that if this department of government can use the instrumentalities of that department to discredit and destroy one branch of commerce, it can discredit and destroy all branches.

Transportation

For a number of years Henry L. Goemann unselfishly and ably served the Grain Dealers National Association as chairman of its Transportation Committee. In this capacity he gave generously of his time, serving with distinction to himself and great benefit to the Association. Finding it incompatible with his interest to give his time longer to the Association, the officers, while grateful for his past services, feeling that it would be an imposition upon Mr. Goemann to urge further sacrifice upon him, yielded to his urgent insistence that he be not asked to assume the responsibility further. Therefore, with the inception of the new administration last October, the officers of the Association were confronted with the problem of providing for the discharge of the duties and carrying on the great work which had formerly been so loyally undertaken by Mr. Goemann without remuneration.

The Executive Committee decided that the duties that had devolved upon the chairman of the Transportation Committee had become so onerous, the responsibility so burdensome, the time required to carry on the work so much greater than anyone could be expected to contribute in future, recognizing the difficulty of enlisting the active interest of someone having both the qualification and the time to devote to a work of so great a magnitude, decided to create the position of Transportation Commissioner and employ a transportation expert of known ability to serve the National in the future.

The creation of this position involves the extra ex-

penditure of about \$10,000 annually. Since the work was undertaken by W. K. Vandiver the expense has been defrayed out of the surplus fund. In order that the surplus may not be depleted and a means of meeting this additional expense provided, it is necessary that I recommend to this convention a constitutional amendment providing for an increase of the annual dues to \$20. I hope that there shall be no reluctance to authorize such an increase, for it is an imperative need in order that the Grain Dealers National may be a well-rounded institution, capable of discharging every obligation or fulfilling every duty that it owes its membership.

Arbitration

Compulsory arbitration is the very basis of the most effective and valuable service rendered the grain trade of the nation by the Grain Dealers National Association. In joining the Association everyone signifies his acceptance of the principle of arbitration and pledges him-



JOHN S. GREEN OF LOUISVILLE

self to submit trade differences arising between him and his fellow members to arbitration. This pledge involves no constraints but those of personal honor and business integrity. These are sufficient for all honorable men and institutions. To refuse to arbitrate or to abide by an award while a member of the Associa-



BERT A. BOYD DID A FEW STUNTS

tion, is to repudiate the sacredness of a contract, and anyone who will do so is utterly unfit for membership in the organization and must inevitably be expelled.

The grain business is essentially one in which personal business integrity must stand the test in almost every transaction. The nature of the business is such that immediate delivery can seldom be effected. Evidence of the trade cannot be reduced to writing before market changes have taken place that offer a temptation to one or the other party to the trade to deny its terms. Courage and honor are therefore qualities which must either he native attributes which adorn the career of a grain dealer or they must be the expedients he adopts to qualify him for the career. To the grain dealer's everlasting credit it can be truthfully said that these attributes are nearly always native rather than acquired.

Whether a grain dealer lives in Washington or Florida, California or New Jersey, Michigan or New Mexico, when he comes into the Grain Dealers National he does so with the assurance that the instrumentalities of the

organization will secure for him a prompt hearing and determination of any trade difference that may arise between him and any other member whom he chooses to do business with, however remote the other party from his place of business, and that such difference will be adjudged according to rules already laid down, or, in the absence of rules to cover, according to the accepted practices of the trade. This facility, this service, this splendid method of adjusting trade differences, builds up confidence, promotes trade and eliminates much of the hazard of grain commerce.

The great advantage of one member of the National dealing with another member comes from the knowledge that both are members of an organization which has promulgated rules for the guidance of each; both are members of an organization that has provided an inexpensive and easily accessible means of adjusting disputes. This fact affords a security and guarantees a condition that makes for a free and unhampered commercial intercourse.

A Service and a Sacrifice

Arbitration, therefore, is a noble service. Arbitration is an honorable sacrifice and challenges the best that is in men. When you go to court you do the same as you do when you submit to arbitration—submit your differences to your disinterested peers, but to men who more than likely don't know one thing about your business. You have to abide by their decision, and the strong arm of the law may be invoked to compel your submission. When you arbitrate, you submit your difference to honorable, self-sacrificing fellow dealers who render decisions in the light of the rules laid down by your organization for your guidance, or according to their conception of justice where there are no rules to guide or interpret. These decisions are binding on your conscience and enforceable only at law.

And here let me pay a tribute to the lofty character, the splendid manhood of the grain dealers of this country, who for a number of years have been accustomed to submitting their differences to arbitration and, with few exceptions indeed, have abided by the awards. It is a splendid tribute to the honor and integrity of business men that they yield to the constraints of honor where adverse decisions are rendered against them and requite those who serve them as arbitrators with a degree of loyalty and obedience that fully recompenses the sacrifices of those who serve, always without compensation, in that capacity.

There have been four times as many expulsions this year as in former years. This is lamentable, but this fact illustrates as nothing else can the certainty with which the Association visits such punishment as it can upon those who either refuse to arbitrate or, having arbitrated, refuse to abide by the award.

For the first time in the history of the Association one firm challenged the right and the power of the Association to expel a member for refusing to abide by an award. The Association has been sustained in its action by two courts, but the plaintiffs have appealed to the Ohio Supreme Court. There can be no doubt of the ultimate outcome of this litigation. The astounding thing is that a firm having solemnly pledged itself both in making application for membership in the Association and in signing arbitration agreement to abide by the award; having previously availed themselves of arbitration for adjustment of other trade differences where awards were in their favor, would stultify themselves by such perfidious conduct when an award was adverse to them.

Every arbitration involves the duty of settling differences upon which it is impossible for the litigants to agree. The feeling of satisfaction that one must have in abiding by an award should overcome any disappointment he may feel that the decision went against him, especially when he cannot but have the conviction that those who decide his differences are honorable, self-sacrificing men, influenced by no motive but that of doing justice between the parties by applying the rules of the trade, or, in the absence of specific rules governing the issues, to point out the merit or demerit of the contentions of respective parties. In performance of this duty long lines of decisions have been rendered. These have been compiled, codified, annotated and published in book form under the supervision and direction of Secretary Quinn. Many copies have been distributed among the membership. There are many copies yet available, and if the membership would acquire and make use of them there is no question but many disputes would never arise between members and many differences would not have to be arbitrated, because by perusal of those decisions you would find that recurring differences involving same issue have been decided, which, if you were cognizant of, you would either avoid, or, having failed to obviate, you would not arbitrate but settle, thus saving additional expense.

The Constitution and By-Laws

Pursuant to a resolution adopted at the Minneapolis convention, your president appointed a committee composed of Mr. Eikenberry of Ohio, Mr. Crouch of Texas and Mr. Sale of Indiana, this committee being charged with the very responsible duty of revising and codifying the Constitution and By-Laws of the Association. The Committee met in Toledo last May and devoted several days to this important task. In due time a report of same will be presented for your consideration and adoption or modification. I have such confidence in the Committee that I feel its report will be so thorough as to commend itself to your ready acceptance.

In conclusion I desire to express my sincere appreciation of the active and hearty co-operation of all the officers, regular and special committees, who have served with me during the past year. There has been no hesitancy in accepting every responsibility, no lack of zeal in discharging the duties, and no want of fidelity to the interests of the grain trade on the part of those who have been honored with your confidence and called to your service.

I must also express my personal gratitude, extend official recognition and convey assurances in behalf of the Association of its sincere appreciation of the loyalty of the trade papers, commending them for their splendid defense of the trade during the trying period of the past year.

Mr. Eikenberry: Mr. President, I move that a committee of three, headed by John Green, of Louisville, the other two members to be appointed by the chair be designated to consider the recommendations made by the president in his address. (Seconded.)

The President: You have heard the motion and the second. All in favor of the motion may signify the same by saying aye; opposed, no. The ayes have it and the motion is carried. I think we will adjourn at this time, gentlemen, until 2 o'clock.

Monday Afternoon Session

The convention was called to order for the Monday afternoon session with President Clement in the chair. After opening the meeting with community singing the president called for the report of the secretary.

Secretary Quinn: Gentlemen, I might say, in introducing this report, that this is the longest report of any of the officers or committeemen of the Association, because their reports cover activities along various lines, while this report is intended to embrace the entire work of the Association.

Now, I will try to read it quickly and yet understandingly, so that everyone will be able to understand just what the Association has done in the last 12 months.

ANNUAL REPORT OF SECRETARY QUINN

THIS is my eighth annual report as secretary of your Association. On January 1, 1914, I assumed the secretaryship. In the following August the great war began. From that time until today there has been nothing normal about the grain business in this or in any other country. From 1914 until 1920 the grain trade was doing business on a "bull" market most of the time. Grain prices were high and there was abnormal prosperity in nearly all lines of industry. When the crash came last fall and winter the reaction set in and today we are paying the inevitable price of inflation. It is nothing more than Spencer's law of compensation at work in the business world.

The last eight years have been the most extraordinary in the history of the trade. They have been epoch marking. Abnormal prosperity always breeds extravagance and when the tide recedes the business wrecks are many. This recession of the tide is reflected in the annual reports of the executive officers of every organization in the country. There is no business, no activity that does not have the same story to tell.

In this report of your secretary you will find abnormal losses in membership, more expulsions and more hostile legislation than in any years that have preceded it. This is simply because the period of unnatural prosperity was unduly prolonged. The period of readjustment will in consequence be more protracted and more distressing. It is very easy to understand the cause of our troubles. The world is suffering from the wastage of war. And until this wastage has been repaired there will be upheavals and political movements of all kinds.

The Dangerous Extremes

The position occupied by the grain trade is never an enviable one. Grain merchants are always between two fires. When the war increased the price of bread to the consumer the attack came from organized labor. Today it is the producer that must be reckoned with. It will be thus observed that the last eight years have seen the pendulum swing to both extremes.

Extremes are always dangerous because they seek blindly to remedy existing conditions. The mere fact that they are extremes proves that they are led by passion rather than by knowledge, fairness and judgment. It was passion that tried to foist the "Plumb Plan" onto the taxpayers of the nation, and it is passion that would now close the exchanges and eliminate the middleman in the distribution of grain. It was passion that took advantage of the Government when it was at war and forced upon the Railroad Administration the notorious "National Agreement," and it is passion that now seeks to secure from Congress the equally notorious "Associations Bill," which would make the farmers immune from the operations of the Sherman Anti-trust Law.

For the last eight years the grain trade has had to fight for its very existence. It has been eight strenuous years with the consumer on one side and the producer on the other. There has been conducted a systematic campaign of misrepresentation and false-

hood, culminating in the creation of the so-called "Agricultural Bloc" in Congress.

It would be a waste of time to explain to this convention the cause of the high and the low prices in grain since the war began in 1914. These causes are elemental and are understood by everyone who has given the slightest study to the subject. Perhaps this explains why the agitation against the middleman has gained such headway. No one in the grain trade has thought it worth while to attempt to counteract the vicious statements that have misled both the labor unions and the farmers. It seemed to the grain dealers that such propaganda carried its own refutation. It was so obviously untrue that no one believed it could do serious harm. But it has.

Nothing is surer than that falsehood, repeated daily and not combatted, will in time be accepted as truth by the public. The grain dealers of the nation have at last awakened to this fact. At a meeting called by the Association in Cincinnati, Ohio, on June 27, last, the first steps were taken to present to the people the truth about the whole problem of distribution. The report of the committee that was appointed at that meeting will be presented to you at this convention. You will find it highly interesting and instructive.

Threats in Legislation

Another report of vital interest will be the one submitted by A. E. Reynolds, chairman of your Committee on Legislation. He has been in close touch with the situation at Washington. He will tell you about the passage of the Tincher-Capper Bill to "regulate" the grain exchanges, the bill to "regulate" the packers. President Harding's substitute to the Norris Bill which bill, if passed, would have put the Government into the export grain business in competition with its own citizens, and the Association's Bill. The last named measure was passed by the House but the



CHARLEY QUINN WAS A BUSY SECRETARY

Senate Judiciary Committee had the courage to kill it by striking out everything except the enacting clause and substituting a new bill which was not in direct conflict with the Constitution of the United States.

The Association's Bill was part of the program of the agricultural bloc in Congress. This bill, if passed, would no doubt have been declared unconstitutional by the Supreme Court as being in direct contravention of the Constitution. Its aim was to give the farmers the right to evade the legal consequences of monopolistic action. In other words, it would have permitted them to escape punishment for acts which are in violation of the Sherman Anti-trust Law and which same acts would be punishable by fine and imprisonment if performed by any other class of citizens.

The danger of this situation arose, not so much in the act itself as in the mere fact that any class of people in this country would endeavor to put such a law through Congress. And yet it is no worse than the attempt of the labor unions to force through the "Plumb Plan" for Government ownership and control of the railroads.

The Menace of Class Privilege

It is this menace of new privilege that has inspired the thoughtful men of this country to wage warfare against the enemies of the Government. No one who has even a superficial knowledge of the Constitution of the United States can remain quiet in the face of such attacks on the very foundation of our institutions. You may attribute it all to the war, you may say it is but a passing phase in the political life of the nation, you may believe that it will soon go the way of the free silver craze, the Populist uprising or the greenback excitement, but the fact remains that it is here and insidiously propagating itself among the masses of the people. And while it is here it is a deadly menace to the country.

The peril comes from the guise in which the movement presents itself. Should these bills have been

labeled "socialism" a frontal attack could have been made upon them. But they are not so labeled. They are called "progressive," or "forward looking." No intelligent man can afford to fight progress, hence it is that patriotic citizens have been called "reactionary" or a "tool of the big interests" whenever he raises his voice against this new socialism which has crept into Congress and which will, unless speedily checked, change the whole form of our Government from a republic to a democracy.

Subverted Government Activities

Mr. Reynolds will tell you about the fight the Association is waging against the Bureau of Markets and the County Agents, two institutions that have been completely subverted by the socialistic bureaucrats at Washington. The Association has declared war on the illegal activities of both, which were established to aid the farmer as a farmer and not as a business man.

No one objects to the farmer going into the grain or any other business if he so desires. This is a free country with free and equal opportunities to all. But what we do object to, and will combat with all our strength, is the attempt of the agitators to build up a distributive system that is subsidized and encouraged by the Government. The Bureau of Markets and the County Agents must not be permitted to use our money, secured from taxes, to cut our economic throats. We will meet any combination of producers in open and fair competition and we have no fear of the result.

The present distributive system is a natural evolution from the primitive methods of the colonists. It has taken man more than a hundred years to bring it to its present perfection. No system of co-operation, conceived in jealousy and worked out by the inexperienced, can hope to dethrone it, because systems, like associations, must stand the test of service. Individual initiative and responsibility, at work in a competitive field, can distribute grain cheaper and more efficiently than can any co-operative system. None but the agitator or the uninformed doubt this. If the test of the two systems is to be made, let this test be a fair one. The Government must keep its hands off.

The Transportation Department

A change has been made in the transportation department of the Association since the last annual meeting. A transportation commissioner has been employed on a salary, to take the place of the volunteer workers who have labored so earnestly and so splendidly in the past.

At the Minneapolis convention in 1920 your secretary stated in his annual report:

Your secretary wishes at this time to draw your attention to the fact that the labors of the chairman of the Transportation Committee have become too heavy for any one man to be expected to bear without receiving some compensation from the members. Mr. Goemann has been doing almost as much work during the last year as any paid transportation expert in the country, but he has received nothing for it except his traveling and hotel expenses.

There are repeated calls upon his time and he has been asked to leave his family and make many trips to Washington, Chicago and elsewhere, remaining away days at a time, and all for the mere love of the Association. He has done as much for the Association as any man living, but there is a limit even to his unselfish devotion to duty. Something ought to be done at this meeting to show that the members appreciate his earnest labors. For the last two years he has not been actively engaged in the grain business and he has devoted nearly his entire time to the Association without one cent of reward. He is now back in business for himself and he cannot be expected to respond to every call that is made upon him.

As every member of the Association is vitally interested in transportation, this most important feature of the organization's work must not be neglected.

The retirement of Mr. Goemann from active Association work made it imperative that something be done to secure a successor. It was obvious that this successor could not be had in the ranks of the members, because no one was willing to devote so much time to the many transportation problems that are constantly coming up. A meeting of the Executive Committee of the Association was held in the Toledo office on January 22. At this meeting it was decided to employ a transportation expert to succeed Mr. Goemann. A committee consisting of J. W. McCord, the chairman of the Executive Committee, and your secretary, was named to engage a competent man, on a salary, to devote his whole time to the work. After looking over the field, the Committee decided upon W. K. Vandiver, who was then assistant manager, Department of Traffic, United States Railroad Administration, at Washington. Mr. Vandiver was desirous of leaving the employment of the Government and getting back into active railroad work, in which he had been engaged ever since he left school.

Mr. Vandiver took charge of the transportation work on April 1. His long experience in the traffic departments of several railroads enabled him to "function" at once. He has taken up the work where Mr. Goemann left off and at this convention he will tell you about the various problems upon which he has been engaged in your interest. He will discuss the uniform liability clauses in railroad leases; the installation and maintenance of sidetracks; ground rentals on property leased from the carriers; demurrage and reconsignment questions; the policing of the decision in the loss and damage case, known as docket No. 9009, and last but of more immediate importance than any, a general reduction in freight rates.

When the Executive Committee decided to engage a

transportation expert, it was with a full understanding that this meant a large increase in the annual expenses of the Association. A traffic bureau cannot be established without considerable cost. It was necessary to secure an additional stenographer, and the traveling and hotel expenses of the commissioner when on the road must be met. It is estimated that an additional expense of about \$10,000 a year will be incurred by reason of the employment of the traffic expert.

The Association cannot afford to take this amount out of the general fund without making a slight increase in the dues of direct and associate members. Your secretary earnestly recommends that the dues of these members be increased from \$15 to \$20 a year.

It must not be forgotten that throughout the whole war period, when the country was doing business on an inflated basis, and the prices on everything, including memberships in clubs and organizations of every kind, were increased, the Grain Dealers National Association never asked its members for more than \$15 a year to run the organization. Indeed, the dues have not been increased for many years, though the work of the Association has constantly expanded.

Practically every member of the Association is a user of transportation. This is one field in Association work that must not be curtailed or neglected. Legislation, Arbitration, Transportation—these three comprise the trinity of interests upon which rests the whole structure of service to the members. No Association calling itself a national organization of such a basic industry as grain can give its members proper service without a competent transportation department. So important is this branch in modern industry that practically every big grain concern in the country has found it necessary to have a transportation department of its own to take care of its relations with the carriers. How much more important it is, therefore, for the National Association to establish and maintain such a department, which will serve the 90 per cent of the members whose business is not large enough to warrant the expense of a private transportation expert.

Mr. Vandiver has already shown his value to the members in the constant increase in the size of his mail. Grain dealers in all parts of the country write him whenever they become involved in local disputes with the carriers, and he has in many instances been able to obtain relief for them. Your secretary hopes, therefore, that this convention will in its wisdom see its way clear to make ample provision for the maintenance of the new transportation department.

Telephone and Telegraph Service

In the last annual report of your secretary attention was directed to the efforts that were being made by the Grain Dealers National Association and the National Industrial Traffic League to establish the liability of telegraph companies for delays or errors in the transmission of messages.

At the time of the Minneapolis convention the case was in the hands of the Interstate Commerce Commission, which had not given its decision, though the examiner had issued a tentative report recommending that the liability of the telegraph companies be placed at \$500 for unreported messages and \$5,000 for repeated messages. For liability in excess of \$5,000 the examiner recommended that the rate be the repeated message rate plus one-tenth of one per cent of the value placed upon the message. The commission on May 3 last gave its decision accepting the report of the examiner, and on July 13 the decision went into effect.

This is a great victory for the Association and the National Industrial Traffic League, as it increased the liability of the telegraph companies from practically nothing to \$500 on unreported messages and \$5,000 on repeated messages. This case presents another illustration of the value of organized effort. Without such associations as those that took this case to the Interstate Commerce Commission, the individual user of the telegraph would never have secured relief from the carelessness of the wire companies. It is estimated that the liability of \$500 on unreported messages will cover the losses caused by errors or delays in about 85 per cent of the telegrams sent.

Trade Rules

The Association owes its thanks to F. E. Watkins, chairman of the Trade Rules Committee, for the manner in which he has conducted the inquiry column in *Who Is Who in the Grain Trade*. Many questions concerning the trade rules have been asked him during the year and he has answered them all promptly and ably. These questions and answers have become, through Mr. Watkins' efforts, one of the most interesting features of the little magazine.

In his annual report to this convention Mr. Watkins may have some suggestions to offer for amendments to the trade rules, but these will be of a minor nature. The rules are about as perfect as it is possible to get them when it is remembered that they are for the use of all dealers in all sections of the country. The Association cannot, without danger, change the rules to meet local conditions that may be transitory in character. Such changes frequently do more harm than good, because they often do violence to the rights of people in other sections.

The Association has always followed the wise policy of "going slow" when it came to changing a trade rule. It has refused to make any change unless the need was apparent to all. In spite of this conservatism, amendments are made from time to time. New condi-

tions bring change and the Association must keep abreast of the times.

Mr. Watkins has been requested to offer an amendment to the rules relieving the arbitrators from the necessity of considering samples in arbitration disputes. This is really an amendment to the arbitration rules and does not come within the purview of this work. The amendment, however, is a good one and it should, in the judgment of your secretary, be adopted. The arbitrators are not grain inspectors and consequently they are not in position to pass judgment upon the merits of samples submitted. Furthermore, they could not in many cases decide fairly upon such samples even if they were the best of experts, because the samples are too old when they reach the arbitration committees.

In disputes covering no grade grain bought on sample, litigants have sent your secretary samples to be submitted to the arbitrators. After these samples had been in the office awaiting the completion of the arbitration papers, they deteriorated rapidly and were absolutely worthless when it came time to send them to the committee. The proposed amendment to the arbitration rules is, therefore, worthy of the serious consideration of the convention.

Uniform Grades

W. S. Washer, chairman of the Uniform Grades Committee, will present an interesting report to the convention on the repeated and sustained efforts that are being made by some people in the Spring wheat country to have the grades on all Spring wheat lowered.

The grain trade had believed that these efforts would be abandoned after the complete hearing that was given to the protestants at Chicago by Former Secretary of Agriculture Meredith on April 2, 1920. As soon as the new Congress was assembled this year, however, bills were introduced by Congressman Steenerson of Minnesota and others. The object of these bills is to change the grades on Spring wheat from those now prescribed under the Grain Standards Act. The Steenerson Bill, known as H. R. 7401, would lower the test weight of No. 1 and other grades of wheat and it would make other vital changes. This bill was reported out by the House Committee on Agriculture and was on the calendar when Congress adjourned.

This effort on the part of the proponents of the change is bound to end in failure, even though they succeed in bringing about the proposed changes by legislative enactment. If a bill like the Steenerson measure is passed by Congress, the only effect will be that millers will at once begin to buy wheat by sample instead of by grade. Of course, it is impossible to legislate value into wheat, as the Populists discovered in Kansas some years ago. If the Spring wheat grades are lowered, the Government may look for more bills emanating from the Winter wheat section and asking for more changes. The final result would be that all of the valuable investigational work of the Department of Agriculture in establishing standards would be wasted and chaos would again reign in the grading of grain.

Constitution and By-Laws

At the last annual meeting a committee of three was appointed to codify and rearrange the Constitution and By-Laws of the Association. This committee is composed of E. C. Eikenberry, of Camden, Ohio, a former president of the Association; James W. Sale, of Bluffton, Ind., at one time president of the National Hay Association, and E. W. Crouch, of McGregor, Texas, ex-president of the Texas Grain Dealers Association.

This committee met in Toledo on May 12 and completely revamped both the By-Laws and the Constitution. A number of new sections were added and some other sections were changed or eliminated entirely. Little change has been made in the Constitution and By-Laws since they were first adopted 25 years ago. Since then the Association has expanded greatly and increased the scope of its activities. The Association has in consequence outgrown its old Constitution and By-Laws to a considerable extent.

Mr. Eikenberry will submit the new Constitution and By-Laws to this convention for adoption. One thousand printed copies of the Constitution and By-Laws as amended and revised by the committee have been printed and will be distributed to the delegates, so that everyone may be in position to pass intelligently upon the committee's work.

New Feed Rules

There will be presented to this convention for its consideration the new trade rules governing transactions in feedstuffs. These rules were adopted by a joint committee from the Grain Dealers National Association, the Millers National Federation and the United States Feed Distributors Association at a meeting held at Chicago on March 11 and 12 last.

At the last annual convention of the Grain Dealers National Association the subject of uniform feed rules was discussed both in a group meeting of feed dealers and in open convention. It was decided at that meeting to create a joint feed and grain committee, and this committee has been active in promulgating the new feed rules. Many members of the Association are greatly interested in the new rules. The feed trade, unlike the grain and milling trades, has never had a regular code of rules and there has been more or less chaos in the feed business in consequence.

The purpose of the new rules is to obtain uniformity

in trade rules in the feed business. The rules have been adopted by the Millers National Federation and the United States Feed Distributors Association at their summer meetings and all that now remains is to have them adopted by the Grain Dealers National Association. Your secretary has had 1,000 copies of the new feed rules printed for distribution to this convention, so that when the rules come up for consideration everyone will know just what they are.

Arbitration Work

The following is a detailed statement of the work of the six arbitration committees and the arbitration appeals committee in the last year:

| | |
|--|-----|
| Number of cases at the beginning of the convention year | 73 |
| Number of new cases filed during the year | 157 |
| Total | 230 |
| Number of arbitration decisions during the year | 93 |
| Cases withdrawn | 14 |
| Cases settled direct | 34 |
| Cases dismissed | 15 |
| Expulsions for refusing to arbitrate or for refusing to pay arbitration awards | 23 |
| Cases pending | 51 |
| Total | 230 |
| Appeal cases pending at the beginning of the convention year | 11 |
| Cases appealed during the year | 32 |
| Total | 43 |
| Appeals decided during the year | 25 |
| Appeal cases withdrawn | 8 |
| Appeal cases pending | 10 |
| Total | 43 |

There was a great increase in arbitration in the last year. As will be seen, there were filed 157 new cases in the last 12 months. Last year there were 134 cases filed. This shows an increase of 23 cases, notwithstanding that there has been no increase in the membership.

At the annual convention at Minneapolis last year two more arbitration committees were added, increasing the number of such committees to six. The wisdom of this move is now apparent. The six committees decided 93 cases during the year. This number, added to the cases that were withdrawn, settled direct and dismissed, increased the total of the cases disposed of to such an extent that the arbitration docket now has 22 cases less than it had one year ago.

It is with the greatest regret that your secretary announces 23 expulsions in the last year. This is an increase of nearly 400 per cent over 1920, when but six members were expelled. The Association has never had more than six expulsions in any one year, so that the record of 23 in the last 12 months looks somewhat discouraging. There is, of course, a reason for this unprecedented number of expulsions. It was due to the deflation in grain prices and the demoralization of the business world generally.

When the German chancellor told the world that his country regarded a solemn treaty with Belgium as a "scrap of paper," little did he realize what his words implied. And little did he understand how this demoralization would ramify throughout every strata of society. The war, as everyone knows, has injured the morale of the business men of this and every other nation. Solemn obligations do not bear as heavily upon men as they did before 1914. The reconstruction period through which the world is now passing is a period of demoralization. It has torn down the work of a generation of patient building.

The Progress of Arbitration

It must not be forgotten that commercial arbitration is comparatively new. It is only in the last couple of decades that serious attempts have been made to establish it as a substitute for the old unsatisfactory and expensive system of settling disputes by the civil process. Each year saw progress made toward this great reform. Grain dealers were beginning to accept arbitration as a matter of course. Few members refused to arbitrate and fewer still declined to pay an arbitration award. Then came the war which broke down the moral fibre of all classes. A laxity in fulfilling promises was seen almost at once. When the prices of all grain dropped to pre-war levels in the fall of 1920 and in the winter and spring of 1921, the number of members who declined to live up to their obligations to the Association increased rapidly.

To be absolutely just to these delinquent members it must be admitted that the situation they confronted was unprecedented. Their losses were abnormal and many were forced out of business. Some really could not pay the awards given against them though admitting the justice of the arbitration decisions. In all such cases the Association showed the defaulting dealers all leniency possible. In many cases notes were taken to cover the awards. Whenever a member showed a disposition to act in good faith he was carried along and no mention was made of his financial embarrassment.

The dealers who dealt honestly with the Association were helped out of their difficulties and most of them are back on their feet. When a member refuses to pay an award, or declines to arbitrate, and will not take the Association into his confidence, there is nothing left to do except to expel him. The rules of the Association, made by the members themselves in annual convention, must be obeyed or arbitration would soon fall into disrepute. The membership rolls must be kept

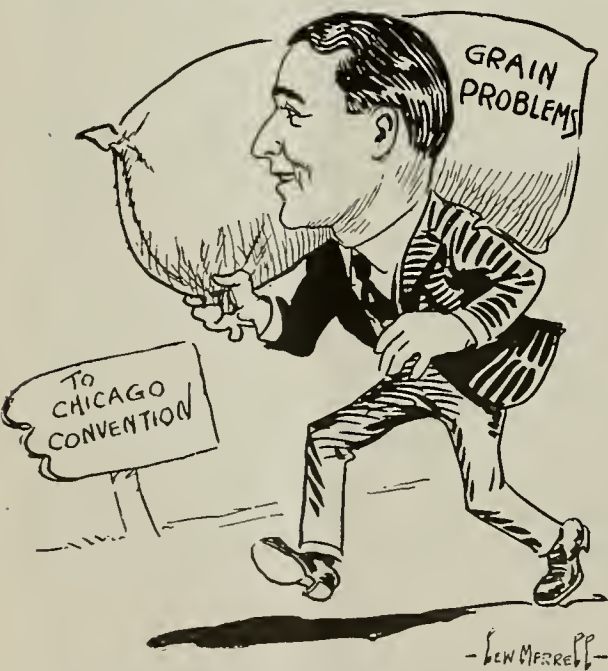
clean. There must be no defaulters in the ranks to give bad example to the weak and the irresolute. Arbitration is one of the corner-stones of the Association structure and when a member flaunts the arbitration rules he is attacking the organization at one of its vital points. There must be no temporizing with such members. Their treatment should be entirely different from those who seek the leniency of the Association in times of stress. We are always glad to help such members and to go the limit in their defense. The 23 members that have been expelled by the Board of Directors in the last 12 months are: Tausend & Maloney, Grand Rapids, Mich.; Marks & Anderson, Memphis, Tenn.; The Hamilton Company, New Castle, Pa.; Smith & Kilpatrick, Lorenzo, Texas; The Molony & Carter Company, Charleston, S. C.; The Krumm Milling Company, Columbus, Ohio; The Worth-Gyles Grain Company, Bloomington, Ill.; H. K. Cochran Company, Little Rock, Ark.; A. H. George Company, Meridian, Miss.; Newport Mill Company, Loudon, Tenn.; Knight Brokerage Company, Kansas City, Mo.; W. Fletcher Jacobs, Knoxville, Tenn.; Town Creek Milling Company, Lenoir City, Tenn.; Allen & Co., Birmingham, Ala.; E. O. Richardson, Okolona, Miss.; Hamlin Mill & Elevator Company, Hamlin, Texas; A. F. Therrien, New York, N. Y.; Howard Grain Company, Jacksonville, Fla.; Ruff & Co., Columbia, S. C.; Jay Hausam & Co., Hutchinson, Kan.; Kansas Flour Mills Company, Wichita, Kan.; City Hay & Grain Company, Norfolk, Va.; Kasco Mills, Waverly, N. Y.

Your secretary believes that the experience through which we are now passing is but temporary and that when the reconstruction period is over we will again be able to show as few expulsions as in any year prior to the outbreak of the war.

In the last annual report of your secretary mention was made of the book of arbitration decisions which was then about to be published. Since the Minneapolis convention this book has come from the press and it has been sold to 572 members at \$5 a copy. Much favorable comment has been received from the members regarding this volume which contains all of the arbitration decisions from the first one made in 1902 down to the decisions of June, 1920. The book has 388 pages. It is durably bound in cloth and it contains a complete cross-index as well as a topical index and a syllabus of each decision. One thousand copies of the work were printed at a cost of approximately \$5,000. The Association has about 400 copies of the book remaining unsold and representing an investment of about \$2,000. These 400 copies will be kept in stock and sold from time to time to new members or to others who will desire them when the second volume is printed.

The Expulsion Case

It is with regret that your secretary is required to refer to a civil court action instituted against the Asso-



D. M. CASH CAN CARRY A LOAD

ciation by the Paddock-Hodge Company, one of the direct members in Toledo, Ohio. Last spring this concern asked for an order from the court at Toledo to restrain the Association from expelling them because of their refusal to arbitrate a trade difference with the Park & Pollard Company, of Boston, Mass. After the case had been decided in favor of the Boston company, the Paddock-Hodge Company declined either to pay the award or to appeal the case. Your Board of Directors gave the Toledo member the usual 30 days' time in which to do one or the other, failing in which they would be expelled. Just before the time allowed had elapsed the Paddock-Hodge Company asked the Common Pleas Court for a temporary injunction, which was granted. After the case had been argued the Court dissolved the temporary order, but the Paddock-Hodge Company appealed to the Circuit Court of Appeals. The decision of the Common Pleas Court was affirmed in the Appellate Court but the Toledo concern has taken the case to the Ohio Supreme Court where it will be argued this fall.

This is the first time in the 19 years since compul-

sory arbitration was instituted in the Grain Dealers National Association that any member has sought the aid of the courts to prevent the Association from enforcing its own rules. The decision of the three judges in the Appellate Court is lucid and covers completely the point at issue. The Court says:

"A member of an organization may decline to submit his controversies to the Arbitration Committee and insist upon litigating the same in the civil courts, but if so the organization may proceed to terminate his membership in the Association. The only question involved here is whether the defendant may determine the character of its membership by exercising disciplinary power upon failure of a member to comply with the rules of the organization. We think it has such power."

The decision of the Court of Appeals is a complete victory. The Appellate Court has upheld every contention of counsel for the Association. Every trade organization that practices compulsory arbitration will be heartened by the decision. As the Grain Dealers National Association is the "Father" of compulsory arbitration in this country it seems appropriate that the question as to the legal status of arbitration should be fought out under the banner of this organization.

Membership

Direct and Associate

| | |
|---|-------|
| Number of direct and associate members reported at the last convention..... | 1,979 |
| Direct and associate members secured since the last convention | 363 |

| | |
|---|-------|
| Total | 2,342 |
| Direct and associate members lost during the year | 405 |

| | |
|---|-------|
| Direct and associate members on Oct. 1, 1921 | 1,937 |
| Direct and associate members in good standing on October 1, 1921..... | 1,883 |
| Number of delinquents | 54 |

| | |
|---|-------|
| Total | 1,937 |
| Net decrease in direct and associate members during the year, 42. | |

Direct Members

| | |
|--|-------|
| Direct members reported at the last convention | 1,901 |
| Direct members secured since last convention | 348 |

| | |
|--|-------|
| Total | 2,249 |
| Direct members lost during the year..... | 384 |

| | |
|--|-------|
| Direct members on October 1, 1921..... | 1,865 |
| The losses of direct members were from the following causes: | |

| | |
|-------------------------------------|-----|
| Resignations | 155 |
| Dropped for non-payment of dues.... | 54 |
| Gone out of business..... | 149 |
| Expelled | 23 |
| Rejected | 3 |
| | 384 |

| | |
|--|-------|
| Direct members in good standing on October 1, 1921 | 1,812 |
| Number of delinquents | 53 |
| | 1,865 |

| | |
|---|--|
| Net decrease in direct members during the year, 36. | |
|---|--|

Associate Members

| | |
|---|----|
| Associate members reported at last convention | 78 |
| Associate members secured since last convention | 15 |

| | |
|--|----|
| Total | 93 |
| Associate members lost during the year.. | 21 |

| | |
|---|----|
| Associate members on October 1, 1921.... | 72 |
| Associate members in good standing on October 1, 1921 | 71 |
| Number of delinquents | 1 |

| | |
|---|----|
| Total | 72 |
| Net decrease in associate members during the year, 6. | |

Affiliated Members

| | |
|--|-------|
| Affiliated members reported at last convention | 2,744 |
| Affiliated members on October 1, 1921.... | |

| | |
|----------------|-----|
| Decrease | 120 |
|----------------|-----|

| | |
|--|-------|
| Total number of direct, associate and affiliated members reported at the last convention | 4,723 |
|--|-------|

| | |
|--|-------|
| Total number of direct, associate and affiliated members on October 1, 1921..... | 4,561 |
|--|-------|

| | |
|----------------|-----|
| Decrease | 162 |
|----------------|-----|

If I might be permitted, I would like to inject this remark and say that this decrease of 162 covers not only the direct but the affiliated and the associated membership. It covers the three classes of membership, and we expect to make up this decrease at this annual meeting, for I have in my pocket an application of another association which wishes to affiliate with the National, the Millers Mutual Association of New York, and this will add 150 new members to the affiliated list, so we are virtually today where we were a year ago.

The Booster Campaign

The campaign for new members in 1921 was the most remarkable one ever conducted by the Association. The number of new members secured was 363. This is the second largest number ever taken into the organization in any one year. The record year was in 1920 when 603 new members were brought into the fold. It may be of interest to the members to know the results of the various booster campaigns in the last eight years, or since your secretary has occupied his

| | | | |
|--|-----|------------|-----|
| present position. The following table gives the figures. | | | |
| 1914 | 140 | 1918 | 309 |
| 1915 | 216 | 1919 | 361 |
| 1916 | 233 | 1920 | 603 |
| 1917 | 231 | 1921 | 363 |

Total

The boosters, it will be seen, have secured nearly 2,500 new members in eight years, or an average of about 306 a year.

This year's campaign was the most remarkable ever made by the boosters because of the conditions that surrounded the canvass. It was much easier to get 603 new members in 1920 than it was to land one-half that number in 1921. The reasons are obvious. In 1920 the country was at the height of its post-war inflation. Grain prices were high and everyone not only had money but was careless in the matter of expenditures. New members could be secured for the mere asking. Indeed the boosters might, had the canvass been prolonged, have run the total up to 1,000.

But times had changed when the campaign of 1921 began. Retrenchment was the watchword in every



HIRAM N. SAGER LOOKS UP THE SPELLBINDERS

grain office in the land. Fifteen dollars looked bigger to the average grain dealer in 1921 than \$100 did in 1920. Thus the work of securing new members was made extremely hard at the very outset of the campaign this year. The canvass lasted from February 1 until the middle of August, a period of six and one-half months. Last year the regular canvass was over in two weeks. But despite the handicaps under which the boosters labored they stuck to the task throughout the spring and summer and until they reached the goal they had set out to attain. It is this earnestness, loyalty and enthusiasm that your secretary wishes to commend and to draw to your attention. There are few trade organizations in this or any other country that can boast of so many willing and competent boosters.

Some members of the Association may wonder why so much space is given in every issue of *Who Is Who in the Grain Trade* to the booster campaigns and why so much effort is expended in the direction of securing new members. The answer is simple. Without members there could be no Association. New blood must be brought in every year to take the place of the members who go out of business, who resign or are expelled, or who fail to pay their dues and are thus dropped from the rolls.

Membership Losses the Past Year

This year 149 members were forced out of business on account of the deflation in the prices of grain. There is no need to expand this theme. It is a sad story, and one that is known only too well to every grain dealer in the country. The Association, on account of trade conditions, lost 405 members this year. In 1920 the loss was 201. With an increase of 100 per cent in the losses due to the hard times, it was imperative that an extraordinary attempt be made to secure new members. This attempt was most successful in spite of business conditions. The boosters, understanding the situation, worked hard and long. They did not complain when the canvass was drawn out to what seemed an interminable length. They just worked all the harder. They kept on going until the goal of 350 new members was reached. The thanks of every member of the Association is due these loyal workers without whose unselfish efforts there would have been a big net loss in membership this year. As it is the organization has but 42 less members in 1921 than it had this time last year. The deflation crisis has been passed safely and we may begin the season of 1922 practically where we were before the never-to-be-forgotten troubles of reconstruction started.

President Clement will be happy, it goes without saying, to present the booster prizes at this convention to the four men who stood the highest at the end of the regular campaign. These four are: Lester Stone, Amarillo, Texas, first; Phillip C. Sayles, Columbus, Ohio, second; E. F. Huber, Minneapolis, third, and F. H. Hunting, Sioux City, Iowa, fourth.

Mr. Stone secured 48 new members during the con-

vention year. Mr. Sayles has 24 to his credit. Mr. Huber brought 17 into the fold and Mr. Huntting landed 13.

Special attention is directed to the labors of Mr. Stone who, in securing 48 applications for membership, showed that he is one of the greatest boosters the Association has ever had. To land that many new members in such a year as the grain trade has just experienced requires prodigious efforts. It should be a source of great pride to President Clement to see his fellow Texan do such splendid work. Mr. Stone has earned not only the booster prize but the thanks of every member of the Association.

If space and time permitted your secretary would be glad to give the names of the other boosters who did fine work in the 1921 canvass. Suffice it to say that there were 136 boosters who secured one or more new members. This shows better than words the great interest taken by all who took part in the canvass.

Financial Statement

The financial statement for the last convention year shows that there is a surplus of \$13,784.05. This is a decrease of \$8,123.74 from the surplus of a year ago, when the Association had \$21,907.79 in its treasury.

This loss of \$8,123.74 in the surplus is easily explained. It is represented by two items. One of these is the arbitration account and the other is the employment of the new transportation commissioner.

It cost the Association \$4,692.50 to have 1,000 copies of Volume 1 of the Book of Arbitration Decisions printed, bound and indexed. Five hundred and seventy-two copies were sold to members at \$5 each, bringing to the treasury \$2,860. There are on hand 428 volumes representing an investment of \$2,140.

The new Transportation Department has cost the Association \$5,534.98. These two items—the investment in the Book of Arbitration Decisions and the reorganization of the Transportation Department represent an outlay of \$7,674.98, or less than \$500 of the decrease in the surplus. When the strenuous legislative year is taken into account it will be seen at once that the funds of the Association have been splendidly conserved.

The slight increase in the dues, from \$15 to \$20 a year, which increase it is hoped this convention will authorize, will place the Association on a permanent footing and provide funds for any legislative emergency that may arise in the future.

The financing of the Association is yearly becoming more and more important. As the membership increases the receipts and disbursements increase, of course. This year there were total receipts of approximately \$60,000 while the total footings are now \$81,842.96, an increase of \$2,941.94 over the total footings of last year.

Chartered accountants examine the books each year and make reports to your Auditing Committee at the annual meetings. This is the only practical and sound method of auditing the accounts. It must be manifest to the members that auditing committees, appointed from the members at the annual conventions, do not have the time to make thorough and proper audits. The financial statement follows:

FINANCIAL STATEMENT OF THE GRAIN DEALERS NATIONAL ASSOCIATION

October 11, 1920, to October 2, 1921, Inclusive

| Receipts | |
|--|--------------|
| Cash on hand last report..... | \$ 21,832.79 |
| Direct dues | 20,938.00 |
| Direct memberships | 5,075.00 |
| Associate dues | 783.00 |
| Associate memberships | 217.50 |
| Regular subscriptions to Who Is Who | 959.50 |
| Affiliated subscriptions to Who Is Who | 825.00 |
| Who Is Who advertising..... | 19,316.87 |
| Sundries | 5.30 |
| Arbitration deposit fees | 7,992.50 |
| Affiliated dues | 825.00 |
| Investments | 212.50 |
| Subscription to arbitration decisions book | 2,860.00 |
| Total receipts | \$ 81,842.96 |
| Expenditures | |
| Salary account | \$ 15,140.59 |
| Office supplies | 2,341.20 |
| Express and telegrams | 538.13 |
| General printing | 703.14 |
| Who Is Who in the Grain Trade | 20,692.67 |
| Office rent | 839.00 |
| Telephone rent and tolls..... | 173.40 |
| Refund arbitration fees | 4,847.50 |
| Legislative expense | 2,679.74 |
| Transportation expense | 5,534.98 |
| Officers' traveling expense..... | 1,791.29 |
| Secretary's traveling expense.. | 258.59 |
| Postage | 1,743.00 |
| Sundries | 501.14 |
| Convention expense | 2,516.26 |
| Arbitration expense | 6,698.28 |
| Returned application fees | 60.00 |
| Total expenditures | \$ 68,058.91 |
| In Bank: | |
| Commercial account | \$ 3,557.05 |
| United States Liberty Bonds.. | 10,000.00 |
| Petty cash account | 327.00 |
| | \$ 13,884.05 |
| Outstanding checks | 100.00 |
| | \$ 13,784.05 |
| | \$ 81,842.96 |

Conclusion

Your secretary feels that he cannot conclude his report without a personal reference to President Clement who has shown such marked ability in directing the affairs of the Association during the last year. Mr.

Clement, upon taking office, was known to but few dealers north of his native state of Texas but he has since become a national figure through his able championship of the cause of the middleman in business.

A close student of the Constitution of the United States, an able administrator and a man of broad sympathy, Mr. Clement is unusually well equipped to lead the grain men in these trying times when the whole tendency of government is in the direction of state paternalism. His eloquent voice has been raised on behalf of a class of men who have been systematically misrepresented by the politicians and by the designing leaders of the grain producers of the country. He has filled the position of president of this Association with distinction to himself and honor to the grain trade. Your secretary wishes, before closing, to pay this little tribute to Mr. Clement whose great ability is recognized and whose courtesy and consideration are deeply appreciated. It has been a great pleasure to work with him.

To A. E. Reynolds, chairman of the Committee on Legislation; F. E. Watkins, chairman of the Trade Rules Committee; J. W. McCord, chairman of the Executive Committee and the other committee chairmen your secretary wishes to extend his thanks for their many acts of kindness during the year.

(On motion duly made and seconded, the Secretary's Report was adopted without discussion.)

The President: I want to announce the Auditing Committee: Mr. Henry L. Goemann is chairman, Mr. John W. Radford and Mr. C. C. Miles.

Another announcement that I have been requested to make by the chairman of the Entertainment Committee is that the ladies will be entertained with a ride in the morning at 10 o'clock, starting from the hotel. They are very anxious that all of the ladies shall be present. They have planned a most enjoyable event.

Before we proceed with the memorial services, which it was decided to hold at this hour, I am going to appoint a committee to bring in appropriate resolutions on the death of our former president, Mr. Metcalf, and other members of the Association. I will appoint Mr. E. M. Wayne as chairman of this committee, Mr. H. B. Dorsey, and Mr. Riley, secretary of the Indiana Grain Dealers Association, Mr. J. W. McCord and Major Culbertson, secretary of the Illinois Association.

MEMORIAL TO LEE G. METCALF

JUST for 15 minutes now it is our purpose to devote our thought and our hearts and our sympathy and our recollection and our affection to a consideration of a memorial of that noble character, Mr. Metcalf. His loss to the Association was immeasurable. His loss to the nation was a distinct one. His loss to his family was irreparable. His loss to us cannot be measured. It will be appropriate now for those of his friends who desire to pay tribute to his memory, to speak. I shall be glad to recognize you. When you rise I shall be gratified if you will give me your name.

Mr. Dorsey: I don't believe it had been my privilege to know a greater or better man than Mr. Metcalf. It was my good fortune, with yourself and a number of other gentlemen, to be associated with Mr. Metcalf for more than two weeks on our trip to Kansas City, New York and Washington in the interest of the grain people and those who sustained losses on account of the agitation then going on. We were together, with Mr. Metcalf, all that time except just what time we were sleeping, and in addition to paying very close attention to the mission, we discussed many things and many people, and never did I hear an unfavorable suggestion against his fellow man. He was kind and considerate of everyone. He was conciliatory. If anyone had an ill thought, an ill word, against his fellow man, it was Mr. Metcalf's mission to smooth that over and call the attention of the one who was speaking, possibly uncomplimentary, of his fellow man, to the fact that if he knew the man's heart, if he knew his motive, possibly he would not speak harshly of him. His thoughts were all kindly toward everyone. I don't believe that man ever had an unkind thought or feeling toward any man. I have been associated with men now for many, many years and I don't believe it has been my good fortune during all that time to have been associated with a man that was calculated to elevate the thoughts and mind of his fellow men as was Mr. Metcalf. You have well referred to the great loss of that man. I think he was the shining light of the grain trade. He was a shining light to humanity. He was always kind, he was always thoughtful, he was always gentle, he was a good man, and I have never known a man whose loss and whose demise caused me such grief and sorrow, unless he was a relative, and I have lost some very dear friends in my life. I believe I voice the feeling and sentiment of all who are here, who had the good fortune to know Mr. Metcalf, in my expressions of that great and grand man. I have never seen such a considerate, thoughtful, kind man in all my life. (Applause.)

The President: As there does not seem to be anyone else who desires to address himself to this memory, we will stand in silent prayer for just a moment. (The convention arose and stood in silent prayer.)

Mr. Dorsey: Mr. President, we have here the ex-president, Charles Jones, whom Mr. Metcalf succeeded as president. I know the feeling of his heart, and I know that while he is backward in such matters, I would like his expression.

Mr. Jones: There are occasions when speech is hard

and whenever I think of Mr. Metcalf's death and the loss we sustained, I am filled with a sense of sadness which takes away from me any desire to speak; but I will grant to no man a greater privilege than to be able to pay the proper tribute to a man of Mr. Metcalf's high character.

I knew him well. If there ever was a second Abraham Lincoln, it was that man, Lee Metcalf. Mr. Metcalf was everything that a man could be,—friend, business man, Christian man,—and when he died there never came any thought to me, as we often wonder about people when they pass out of this life, "I wonder what will become of him." There has never been any question in my mind that any man who lives the right kind of a life on this earth will have another opportunity to know Mr. Metcalf. It takes away that sting of sadness when we stop to think that all of us who live the right kind of a life here will have an opportunity to join him again. There is no question now in my mind that when the Final Day comes and our Good Master takes the righteous children under His wing that Mr. Metcalf will lead, you and the rest of them coming on. (Applause.)

The President: This will conclude the memorial services. The next on the program is an address on "The Origin and Effect of Freak and Class Legislation," by Mr. John B. Maling, of New Haven, Ind. I take pleasure in introducing Mr. Maling. (Applause.)

ADDRESS OF JOHN B. MALING

I AM deeply embarrassed, appearing before you to address you so soon after you had the pleasure and profit of listening to the splendid address delivered this morning by Mr. Atwood. Mr. Atwood has devoted almost a lifetime to the subject of the Constitution and the problems of which he spoke to you this morning, and when you were listening to that gentleman you were sitting at the feet of Caesar.

Now, as for myself, I am simply one of your own, a man who has devoted all the years of his manhood to business, up to five years ago. Since that time I have had the opportunity of seeing some things which I have observed regarding the development of freak and class legislation in this country, and where it comes from.

Now, gentlemen, the addresses that you had the pleasure of listening to this morning were coldly impersonal, dignified statements of facts by men, careful of statement, who told you of subjects that called for precision. What I am going to say to you, I might say, is where Mr. Atwood showed you the ship of state under construction and manipulated by George Washington, by James Madison, by Alexander Hamilton, by Benjamin Franklin, by Thomas Jefferson, I am going to show you a government affected by the agitation and freak measures advocated by Ben Lindsay, by George Creel, by Harvey O'Higgins, by Helen Ring Robbins, by "Socksless" Jerry Simpson, by William Allen and by Pfeffer.

Hysteria for Freak Legislation

I went to Colorado in 1908, and that was when the hysteria for freak legislation developed in that state, and from 1908 to 1915 the legislation that came out of Colorado, out of California, out of Oregon, was legislation which agitated the enactment into laws of half-digested measures suggested by the people living out in those states where they have literally no problems, other than the problem of living.

Gentlemen, I want to say that this new legislation, which so vitally affects business today, does not come out of the state of Illinois, the great states of Ohio, New York, Pennsylvania, or Massachusetts; those great states do not contribute to it, but it comes out of the sparsely settled countries in the West, from people largely impregnated with tuberculosis germs, and I want to say to you that the experts on tuberculosis will tell you that a symptom of tuberculosis is a desire to tear down, rip up and rearrange and make things different, and if you will take the statistics upon the percentage of people in those states which are giving you this freak legislation, who are impregnated with tuberculosis germs, you will be astonished.

What Freak Laws Have Done

Now, the only way I can illustrate to you, gentlemen, what these measures mean, what they are doing, is to recount to you the things that they have actually done.

I wonder how many in this audience remember the Omaha platform? After the great Populist agitation in the West, largely in Kansas, you will remember the Omaha convention, which gave to the world the Omaha platform, the Populist platform. That platform, when it was given to the world, was denounced emphatically by students of government, by business men, as dangerous, impracticable, and vicious, and then forgotten. But the agitators did not forget, and I want to say to this audience today that 85 per cent of all the principles included in the Omaha platform are today embodied in the statutes of the states or the statutes of the Federal Government by amendments, and they are working today with just as much harm, are just as dangerous, just as detrimental to the wellbeing of this country, as it was supposed they would be when they were first given to the world.

Its Limitations Make the Constitution Great

I want to say, in talking about the Constitution of the United States, I am not a student of that great document. After what Mr. Atwood said to you this

morning, I am embarrassed and humiliated to mention my own learning in regard to that great instrument. But this I will say to you, the Constitution of the United States is not so great because of its permissions as it is because of its limitations. It is not what the Constitution of the United States permits you to do that makes it great, so much as it is what it forbids others from doing to you.

Those limitations were written into that great instrument by those men of an older day, who seemed to have anticipated the coming of the reformers of the present day, and the reformer of the present day and of the last 20 years, in attempting to inflict his nostrums upon the people, whenever he has found himself baffled by the limitations of the Constitution, he has not hesitated to attack them and attempt to eliminate them out of that great instrument.

Thus it is today with the initiative, the referendum, the recall, the headless ballot, direct primaries, direct election of the United States Senators by the people,—nearly all of those things have come out of the West, and you people, busy with your own problems, with your own business, have not had time, have not taken the trouble to investigate the merit of these measures, or lack of merit, but have adopted them; state after state has adopted them, and in every state they are working practically the same way.

Gentlemen, I will say to you, as Mr. Atwood said to you this morning, if out of our more than 100,000,000 population today you could elect a Congress so competent to found a government and give that government a constitution as were the men who founded this Government and gave it its Constitution, it would be remarkable. The reason was, that that was a time when the minds of the brightest men of the country were devoted to the problems of government. Today, as you all know, most of our great minds are engaged in handling great material problems in industry, the affairs of business.

Dangerous Legislation

These men of that older day, if they knew anything about government, they knew their history, and they knew that from Babylon down to the last Dutch Republic, whenever in the history of any government ways were adopted whereby it was possible for the people to legislate the hates and passions and prejudices of a passing day into laws and statutes, that that government vanished from the governments of this earth.

Therefore, they said, as Mr. Atwood said to you this morning, "We do not want a pure democracy any more than we want an autocracy. What we want is a representative form of government; a government in which the people may elect from their own ranks, their own representatives, who shall meet at certain times, stated, definite times and places and occasions, and legislate as the needs of the people may demand."

Under that form of government we built up on this continent the greatest and most powerful republic the world has ever known; but during the last 25 years, with all of these freak measures brought in by these reformers, these men, not students of government, merely agitators, with their referendum, and with their initiative, with a headless ballot, with their recall, and with all the other nostrums, gentlemen, I warn you they are putting a club into the hands of the mob to beat the foundation out from under this Government, a club which the fathers never intended they should have.

I know so many of these reformers, I have been in contact with so many of them,—if you could get business men to become reformers, but a business man is rarely ever a reformer. Why? Why, he has gone out into the world and he has conquered conditions; made a success of his business life, and he is satisfied. He sees no need of reform. The other chap, the failure in the world, who starts out and who makes a failure of everything he attempts, then, instead of charging his failure up to his own limitations, he charges it up to the conditions and to his environment, and he starts out to reform both, and the ideas that originate in his mind have the same element of failure in them that is in him.

Business Men Needed in Government

If, on the other hand, the business man, the successful man, would gather around the table with his fellows and seek to solve the problems of municipal and state and Federal government, whatever they might be, and put into such meetings the element of success that is in them, something great would be accomplished. These other men who have never accomplished anything in their own lives, with their appealing phrases appealing to the people and seeking to have enacted into laws and have had enacted into laws, these things that are tearing the Constitution to pieces, weakening the foundation of the Government, then you may know if you as business men do not take to heart that fact and do in your own neighborhood, in your own locality, what you can to counteract the agitators, then you must suffer.

Gentlemen, you, as grain men, today are facing a situation. That situation is concrete, so far as agitation goes. Now, for years you have seen agitation going on striking at other industries, but they were abstract propositions to you. You paid no attention to them whatever. When Mr. Redfield and his commission were attacking the packers, you paid no attention to that, but now that your own industry is threatened, its very existence is threatened, many of the gentlemen in your

industry are sending up rockets of distress and wondering why the whole great Republic does not realize the danger as keenly as they do.

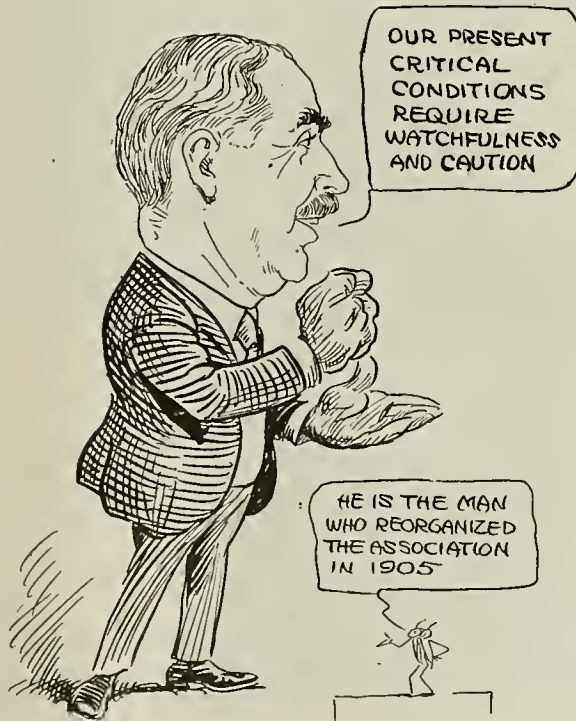
I say to you men, were it not for the fact that I have the firm belief that out of this movement which you gentlemen have started, this fighting of agitation, there is going to come a really great national movement, where the mining industry and all the other industries will join you in telling the people of this Republic what a representative government means and how their own liberties are being jeopardized, I would not be here today.

"The people of America, the public, do not care what happens to the packer as a packer; they do not care



R. I. MANSFIELD IN ACTION

what happens to the grain men or to any other industry; but what people care for is what is likely to happen to them, to the individual, and the mission of business today is to go out and educate the people of this country as to what this Constitution means and what this Government is to them, and how, from the beginning of time and the beginning of government men have lost their liberties because they let the agitators the men who appeal to class feeling, to dominate



HENRY GOEMANN EMPHASIZES SOME TRUTHS

them, and finally enact into laws the prejudices which such things represent and which insidiously take away the liberties of the people.

The Contract Labor Laws

Now, what is class legislation? What is the effect of it? I am going to recite to this audience some details of certain laws, and I want to begin with the Contract Labor Law.

I doubt if there is a gentleman in this room, as he reads in the newspapers today, realizes that most of the problems which our Government is facing from the class and character of immigration that has come to us in the last 24 years, are the result of the Contract Labor Law passed more than 10 years ago.

Gentlemen, previous to the passage of the Contract Labor Law our industries were extending more rapidly than skilled labor could be provided for them. It was the custom and practice of the great industrial leaders of America to send to Europe and bring back skilled operators in different lines, as they were needed here. The cotton manufacturers sent their representatives to Manchester and brought back the best operators, so

far as mechanical skill was concerned, that could be procured, and also as far as character was concerned. The silver workers in Connecticut, when they wanted to enlarge output, sent to Sheffield, England, for workers, and they brought back the artisans and mechanics of the highest class. So with the shipbuilders in Delaware, they sent to the Clyde and to Belfast, Ireland, and brought back skilled, expert men. The same way with the silk manufacturers; they sent to Europe and brought back men who had spent their lives in weaving silk. The textile workers of Germany and Scandinavia were induced to come to America by promises of better living conditions and better wages, and we brought them over by the millions, and they were easily assimilated. They knew the philosophy of our government and fell into it easily. They were the backbone of the development of America.

Then came on the passage of the Contract Labor Law, forced on our Congress by the labor unions. That law then and now forbids any citizen of the United States from so much as writing a letter to any man in the world, outside of the United States, inducing him to come to America to take employment; no matter whether that man was the greatest man ever known in any profession, or the greatest skilled mechanic in the world.

The Inevitable Result

Now, what happened? Losing impetus and losing the position and place when they arrived of skilled operators, the people of Western Europe stayed where they were and industrial immigration fell off. The Cunard Steamship Line, the White Star, the North German-Lloyd, the Hamburg lines, the French steamship lines, the Austrian and German lines, all got together to find out in what way they could recompense themselves for that loss, for the dividends of the trans-Atlantic steamship lines came from the steerage.

Those men made a great pool of money; their object was to reach the greatest number of people that could be moved, caring nothing for class or character, caring nothing for America, seeking only business for their ships; and down in Southern Europe, down in the Balkan country, Roumania, Bulgaria, Greece and Southern Italy, down the line of the Danube, they found millions of people in seething unrest against the discipline of government, untrained to our principles of government, alien to us in civilization; yet these steamship lines had great posters printed, showing America as the Eldorado of those people.

They had pamphlets printed by the millions in scores of languages, and they deluged that land with that literature. They started a tide of immigration which they kept at floodtide for 18 years; previous to 1914 they landed on the shores of America more than 18,000,000 from the scum centers of Europe, whereas, before the Contract Labor Law was passed we were getting the cream of Western Europe. It will take hundreds of years to eradicate the poison out of our national life that we got as a result of having all this immigration injected into it.

The Adamson Law

Now, the Adamson Law was a more recent law. I was down in Washington and I saw and knew the inside of how the Adamson Law, that most vicious piece of legislation, was put over.

For many years the American Federation of Labor had attempted to get the great railroad unions to amalgamate with it and it had never succeeded. In 1917 Gompers and Morrison, the American Federation of Labor leaders, invited the leaders of the four great railway unions to come to Washington, and when they came there they themselves had not thought of the Adamson Law, but Gompers and Morrison took them up on a high mountain and showed them what might be done.

They said, "Bring 800 delegates to Washington from all over the country and we will show you what they can do." In less than eight days they had 800 delegates in Washington. At the White House and in the Treasury Building they were getting a hearing, a patient and sympathetic ear. For nine days the work went on. The Senate offices and the House of Representative offices were overrun with these delegates telling what would happen if this Adamson Law were not put through.

One day you business men began to read in the newspapers the word sent out that the Adamson Law was likely to pass, something unthought of when it was introduced.

Then there gathered in Washington the greatest aggregation of railway executives that ever gathered together in one place at one time. Hale Holden, of the Burlington, Hill of the Great Northern, and all the other great leaders of the great railway systems all over the country were there, and they sought an interview and audience with the President of the United States that they might lay before him what a threatening thing, what a dangerous thing, was this measure which they were seeking to have passed through the National Congress.

They waited eight days at the New Willard Hotel. They cooled their heels without so much as a minute of an audience, and finally, on Tuesday morning, they were informed that on the following Thursday the President would see them at the White House. Thursday morning they organized into a company and marched to the White House. They were ushered into the East Room. Presently the President

came in. After the usual amenities and introductions, Hale Holden, of the Burlington, stepped forward with a mass of data to present to the executive of this nation, as to what it would mean to the great vested interests and railroads if such legislation was enacted into a law. He had talked less than 10 minutes when the President of the United States said: "Gentlemen, we are busy men. My time is taken. Your time is taken. It is unjust to me and unjust to you to discuss a measure upon which my mind is made up, and I will bid you good morning."

And I will say to you, gentlemen, that was the only opportunity that the vested business interests of America had to present its side to the executive mind before that measure became a law.

The day the measure passed I was in the Senate chamber; I heard Senator James Reed, of Missouri, make a speech in the Senate, and if you will consult the *Congressional Record*, you will see if I quote him correctly. He said: "We must pass this measure just as it came from the House. If we change it by a paragraph or a sentence, if we cross a t or dot an i in this measure, on Monday morning we will face a situation worse than Civil War." And 200 labor leaders in the gallery shouted, "You bet you will."

Later I went down to send a telegram. While I was there one of your western Senators came down. He wrote a long telegram. When he had filed it, I said to him, "Senator, if you had the same spurs to win and the same ambitions to win that you had 30 years ago when we were young fellows out West, you would have gotten up in the Senate this afternoon and you would have made that chamber ring in advising the Senate to do its own legislating." He put his arm over my shoulder and said, "Maling, it is the most unfortunate situation this body has ever faced in its long history." And five weeks later I heard that same man proclaiming the Adamson Law to be one of the greatest enactments ever written on the statute books of the United States.

Now, why is it? Before I say why it is, I want to tell you of another—the Women's Suffrage Amendment.

The Suffrage Amendment

Now, I am not discussing woman's suffrage per se; but how it was put over. During 25 years just previous to the adoption of that amendment the aggregate of the majorities in its favor in the different states was 265,000. During the eight years just previous to its adoption the majorities cast against its aggregated 1,370,000. In other words more than 1,000,000 votes were the popular majority against that amendment and yet it was adopted.

In the State of Ohio, in 1915, they had an election on the adoption of an amendment to the state constitution. After a long and bitter campaign the people said "no" by a majority of 198,000. The following winter Mrs. Catt, with her lieutenants, stormed down on that legislature and in the face of that declaration by the people, absolutely forced through a law giving the women of Ohio the vote.

The anti-suffragists demanded a referendum on that vote, Ohio having the referendum law. After a bitter fight, because the suffragists tried to prevent a referendum, and finally fought it up to the High Court of the state, the referendum was ordered. At the election which was held that law was repudiated by 150,000 majority. Had as many people voted at the second election as did at the first, the majority would have been more than 200,000. And yet, when it came up in the Senate, both of the Senators from Ohio voted for the adoption. The state of Maryland voted no, and yet the two Senators from Maryland voted for the adoption of the amendment. New Jersey did the same, and both of the Senators from West Virginia did the same. And so I might go on and show you how these things are done.

The Power of An Organized Minority

Organized minorities are at work, active, energetic, persistent, while you men, the great unorganized majority, pay no heed and no attention.

I will make this statement to you, that the first step taken, which resulted in constitutional prohibition in this country, the first great step toward that legislation, was put over by the distillers of this country. Now, that sounds absurd, remarkable.

Here is how it happened: When the war broke out, the distillers had nearly 400,000,000 gallons of whisky in bond; it had cost them 40 cents a gallon to put it there. They had their paper in every bank nearly in this country that would take it. Then came the war. The Government took 4,000,000 men out of the usual lines of life and away from the consumption of whisky, and when the distillers saw that, knowing there was already an over-production, they said, "We have got to do something." Levi Cooke and Charles Lewis, I know them both well, made a combination with the prohibition representatives in the Senate, before the brewers knew what was going on. The brewers could not warehouse their product but must sell it, and when they learned what was going on, when their agent wired them, they came from Boston, New York, Newark, and, gentlemen, from your own state; they came down there and waged bitter controversy, but the distillers put it over, and the night before that bill passed the Senate, I was

talking with Charlie Lewis—this is not good taste, but I want to force it home to you this afternoon—he said to me, "Maling, we have got nearly 400,000,000 gallons of whisky in bond. We owe every bank in the country who will take our paper, but if this bill goes through the Senate and we know the President will sign it, we can pay every piece of paper to every bank in this country and we will make more money than we will in 20 years distilling whisky."

That is the way war time prohibition came into this country. But the distillers supposed that when the war was over that legislation, with other war-time legislation would be rescinded, but they did not know the reformers and the reformers took advantage of the hysteria that came from the war-time measures and put over the constitutional prohibition amendment.

Gentlemen, I am stating to you facts which I can vouch for from my own personal knowledge. I am repeating these things to you to show you how they come about.

Take the direct election of United States Senators by the people—meaning no reflection on any individual member—; there is no man familiar with the character and class of men now in the United States Senate but will tell you that the intellectual caliber of United States Senate has been reduced at least 40 per cent since they have been elected directly by the people. And why? In the old days a man had to come up through successive offices; he had to show his ability and what things he had accomplished.

Now what happens? Why, a self-selected man, a self-elected man, goes out before the people and for a platform he uses some ear tickling phrase that appeals to the people and to class consciousness, and I want to say to you today that there are more mil-



JOHN B. MALING

lionaires in the United States Senate than there were in the old days; but he gets elected, he gets elected by the people. That situation makes him peculiarly sensitive to the threats of these organized minorities. So it is going on today, gentlemen.

Class Consciousness Foreshadows Disaster

In America, with the most splendid type of government ever given to any nation on this earth, men like yourself, busy men, raising your families, attending to your business, are ignoring conditions which foreshadow the breaking up of this Government. Our people are separating and breaking up into classes, each class seeking legislation of its own, and it has gone so far now that labor itself is breaking up into different classes and seeking legislation for the different classes.

I don't want to be a prophet of evil, but I say if in the next 25 years the great middle class of this country, the industrious, sober, hard-working men and women of this country, go on immolated behind their own business affairs and permit the people to be appealed to through their class consciousness and have class hatred aroused, that no man may know what may happen to this Government. And I say to you, gentlemen, as citizens of America, and well thinking citizens, that today one of the greatest duties you have is from this day on to so do that you feel you are doing your part, so that you may give as good a government to your children as your fathers gave to you. I thank you. (Great applause.)

The President: I have been requested to announce that it is desired to have a meeting of all the members of the Indiana Grain Dealers Association who are attending this convention tomorrow morning at 8:30 o'clock at the Registration Booth, on the first floor. It is a matter of very serious importance to

the members of the Indiana Grain Dealers Association and they desire that you meet at 8:30 in the morning at the registration booth.

We will now have the report of Henry L. Goemann, of the Transportation Committee.

Mr. Goemann: In view of the fact that you have been told through the president's and secretary's reports of all the Transportation Committee has done and what was done by the Transportation Commissioner, I feel, probably, it would be best to have the Transportation Commissioner make the report, and therefore, you will not have the pleasure of hearing from me this afternoon. I am going to ask Mr. Vandiver, our new Transportation Commissioner, to make the report, and in that way you will get acquainted with him.

The President: Gentlemen, you will now hear the report of the Transportation Commissioner of the Association, Mr. Vandiver.

REPORT OF THE TRANSPORTATION COMMISSIONER

ON BEHALF of the Transportation Committee of the Grain Dealers National Association, I submit the following report.

Rental of Ground from Railroad Companies

Some time ago our attention was directed to a decision by the Iowa Board of Railroad Commissioners on a complaint alleging excessive rental for an elevator site at Stacyville, Iowa. The Iowa commission held that the statutes of that state gave them full jurisdiction and decided that the rental should be based on 6 per cent of a fair valuation as appraised on surrounding property. I took this matter up to ascertain what has been done in other sections. At last sessions of the legislatures in Michigan and Minnesota bills were passed placing jurisdiction over leases and rentals of railroad property in the hands of the Michigan Public Utilities Commission or the Minnesota Railroad and Warehouse Commission. So far as I am informed, bills of a similar nature have not yet been adopted in other states, but the legislatures of several states have had bills of this kind before them during the last year or two.

The Interstate Commerce Commission issued rulings in 1908, 1911 and 1913 to the effect that the railroads cannot lease ground to shippers at nominal rentals but that the railroads should receive proper compensation. As a result of these rulings, many absurd theories have arisen and at present many demands of the carriers are unreasonable. The Grain Dealers National Association has received complaints about rentals from members in various states. These have been taken up promptly with managing officers of railroads against which complaints had been made and in a number of instances I have succeeded in getting the rentals adjusted to a reasonable basis. It is our purpose to pursue this actively and exert our influence to the greatest extent possible towards having uniform laws or regulations adopted in all of the states so that the railroad companies will be prevented from demanding excessive rental charges, such as they have been trying to force lessees to pay.

Construction and Maintenance of Industry Side Tracks

During Federal control the United States Railroad Administration undertook to establish very restrictive regulations in the construction, maintenance and operation of side tracks to industries located on or adjacent to the right of way. Recent developments show that some of the railroads are still trying to enforce the provisions of General Order 15 which I consider went out of existence automatically at the end of Federal control.

The Grain Dealers National Association has received from owners and operators of elevators in various states a great many complaints against efforts of carriers to collect excessive charges for side track maintenance. In many instances the lessee is not the sole user of the track and frequently the carrier's team track is located on the same spur. A careful examination of the records fails to show that the Interstate Commerce Commission has ever ruled upon the question of dividing the expense of maintaining spur tracks serving industries. Several years ago they initiated a proceeding of investigation concerning alleged unreasonable and unjustly discriminatory practices of carriers in the matter of leases and grants of their property to shippers. This case was designated as I. C. C. Docket 6562 and in December, 1919, the Grain Dealers National Association joined with other interests in filing an intervening petition. This docket is still pending and in recent correspondence I have been informed that a decision will be rendered at an early date.

Liability Clauses in Railroad Leases and Side Track Agreements

On March 15 the Interstate Commerce Commission decided that it has no authority to prescribe uniform liability clauses in leases or contracts for the construction, maintenance and use of industrial or private side tracks. This decision was on Docket 11545 which was a complaint brought by the National Industrial Traffic League. The Interstate Commerce Commission took the position that this question is a local matter and should be adjusted in each state. Prior to dismissal of these proceedings, a committee of railroad executives had agreed with a committee

of the National Industrial Traffic League that the following amended liability clauses would be adopted:

It is understood that the movement of railroad locomotives involves some risk of fire, and the industry assumes all responsibility for and agrees to indemnify the railroad company against loss or damage to property of the industry or to property upon its premises, regardless of railroad negligence, arising from fire caused by locomotives operated by the railroad on said track, or in its vicinity for the purpose of serving said industry, except to the premises of the railroad and to rolling stock belonging to the railroad or to others, and to shipments in the course of transportation.

The industry also agrees to indemnify and hold harmless the railroad company for loss, damage, or injury from any act or omission of the industry, its employees or agents, to the person or property of the parties hereto and their employees, and to the person or property of any other person or corporation, while on or about said track; and if any claim or liability other than from fire shall arise from the joint or concurring negligence of both parties hereto it shall be borne by them equally.

These clauses were not what the National Industrial Traffic League would have recommended but were agreed to in a spirit of compromise and were the best that could be obtained at the time. They are improvements over liability clauses which the carriers had been requiring in their side track leases. I have been following this up with managing officers of railroads in the principal grain producing sections and find that most of the carriers have adopted or will adopt the amended liability clauses which will be used in executing leases and side track agreements hereafter. In a very few cases the carriers have refused to adopt these new clauses. The attention of our members is directed to this matter so they may arrange to protect their interests in the event carriers continue to submit lease forms that contain the old liability clauses, which were so objectionable.

I will be very glad to render what assistance I can in the settlement of any individual cases that may be brought to my attention.

Limitation of Liability in Transmission of Telegraph Messages

In this report, Secretary Quinn has given you the gist of a decision by the Interstate Commerce Commission in this case and it is unnecessary for me to add anything beyond a statement that I have answered several inquiries relative to claims on delayed or erroneously transmitted telegrams, prior to July 13, which was the effective date of the new liability requirements.

Docket 9009—Claims for Loss and Damage of Grain

At the last annual meeting, H. L. Goemann, chairman of the Transportation Committee, reported that in January, 1920, the Interstate Commerce Commission had issued an opinion on this case, upholding in nearly every particular the regulations that had been submitted by a committee representing the grain trade. This opinion was not accompanied with an order and since then the Grain Dealers National Association has been trying to have the railroad companies publish these rules in their tariffs, otherwise many of the rules cannot legally be applied. Unexpected difficulties have been encountered but a plan is being worked out and at the proper time, we intend to insist that the Interstate Commerce Commission issue a specific order requiring the railroad companies to put the rules into effect. Action on this is deferred pending a final report by a committee now at work on revision of the specifications for grain hopper scales. The features of Docket 9009, which are especially important to the grain trade are:

1. **Natural shrinkage or variations in weights.** In western territory the carriers are requiring a deduction of $\frac{1}{4}$ of 1 per cent on corn, while the Commission stated that $\frac{1}{8}$ of 1 per cent is not unreasonable and the latter deduction is made in other territories.

2. **Grain doors and cooperage of cars.** The grain trade has experienced much trouble because the railroads have failed to furnish grain doors promptly or to authorize the purchase of material by their local agents at shipping points. Numerous claims have arisen because shippers had waited a reasonable time and were then compelled to purchase the material. Tariffs of carriers do not authorize refund of the expenditure under these circumstances but this would be taken care of adequately when they establish rules which the Interstate Commerce Commission found to be reasonable.

3. **Weight regulations and scale specifications.** The Commission approved rules relating to weights and weighing as proposed by the shippers and the adoption of these rules will result in decrease of the claim accounts.

Demurrage Rates

Early in the period of Federal control the United States Railroad Administration made a very heavy increase in the charges for demurrage. At that time the shipping public did not object seriously as it was realized that there was an urgent necessity for very prompt handling of freight so as to release equipment and thereby facilitate the movement of a heavy traffic. This was of the very greatest importance because of our participation in the European War.

In 1919 conditions had changed and the Railroad

Administration modified demurrage rates by making very substantial reductions to the following basis, viz:

For each of the first four days, after free time allowance, \$2.
For each succeeding day, \$5.

Shortly after our last annual convention, the railroads decided to restore the higher charges which had been established under entirely different conditions. The Grain Dealers National Association took an active part in co-operation with other trade organizations and the tariff which provided for advanced demurrage rates, effective December 1, 1920, was suspended by the Interstate Commerce Commis-



W. K. VANDIVER

sion. These advances were made at a time when there was a great slump in practically all kinds of business. This was particularly true of the grain trade. We took the position that the increased penalty charges for demurrage would make the car detention rule so severe as to destroy, to a very great extent, the practice of consigning farm products to the cities for marketing. The carriers did not permit this case to come up for a hearing but voluntarily cancelled the tariff and restored the rates which had been in effect since June, 1919. Recently the American Railway Association undertook to secure co-operation of the National Industrial Traffic League in a proposition to establish uniform demurrage charge of \$3 a day after the usual free time of 48 hours. On behalf of the Grain Dealers National Association I entered a vigorous objection to raising the demurrage rate from \$2 to \$3 on the first four days, this being coupled up with a proposition to reduce the demurrage rate from \$5 to \$3 for each subsequent day. I took the position that a great many of our shippers, particularly those owning country elevators, are not in position to take advantage of the average agree-

series of hearings, the Commission decided this case April 18. Among other things they held that the carriers had not justified a rule prohibiting reconsignments to a point, against which an embargo was in force, when the freight left the original shipping point; that the proposed back-haul rule should be modified and that "order-notify" shipments, placed for inspection, should be subject to the same rule and charges as "straight" consignments, placed for inspection.

Prior to 1917, the railroads, as a general rule, did not make any charge for diversion or reconsignment of shipments while in transit or after arrival at a destination. As the result of lengthy hearings they were permitted to adopt uniform regulations, together with a charge of \$2 a car for reconsignment in transit and a charge of \$5 a car when shipment was reconsigned or diverted after arrival at the destination. These charges remained in effect until August 26, 1920, when they were advanced along with other rates and transportation charges. Because of the variable percentages applying in different sections of this country, the former charge of \$2 for reconsignment in transit is now \$2.50 in some sections, while it is \$3 elsewhere. In like manner, the former charge of \$5 for reconsignment after arrival at destination is now \$6.50 in certain territories, while it is \$7 in other sections.

I have taken this up with a view of uniformity and have asked for a revision downward. It is our purpose to pursue this matter with a hope that we will be able to restore the former charges of \$2 and \$5 a car.

Minimum Carload Weights

During Federal control the Railroad Administration established the marked capacity of cars as the minimum on grain. There was a substantial reason for this action owing to the shortage of equipment and the necessity for prompt movement, especially during our participation in the war. These rules were continued without material change until January, 1921, when modifications were made in the minimum weights on oats, ear corn, snapped corn and corn in the shuck. Subsequently the Commission promulgated other and more liberal regulations to become effective in May, 1921. The principal modifications were as follows:

1. Reduction in the minimum on grain in sacks, from 60,000 pounds to 40,000 pounds.
2. Reduction in the minimum on unthreshed Feterita, Kaffir corn and Milo Maize, from marked capacity of car to 80 per cent of marked capacity.
3. The adoption of a charge of 1 cent a bushel for transfer of overloaded cars. This was a concession from former regulations of many railroads and was adopted for the purpose of reducing the penalty for overloading of cars.

Some of the minimum weight regulations are burdensome and the railroads are giving consideration to



A PART OF THE PEORIA DELEGATION

ment plan; that it is not often they incur any demurrage at all, as grain shipments are generally loaded and unloaded very promptly but that there are some instances where cars draw demurrage for a day or two and in such cases, an increase at this time from \$2 to \$3 a day would result in an added hardship. I enlisted the co-operation of boards of trade or chambers of commerce at various market points and I have information that members of the National Industrial Traffic League have voted overwhelmingly against making any change at this time, consequently if the railroads undertake to put it into effect there will be many protests which will undoubtedly result in the tariff being suspended.

Reconsignment Rules and Charges

Since our last annual meeting, the railroads attempted to establish additional and more restrictive rules in connection with reconsignment or diversion of shipments, while in transit. Tariffs were published to take effect in December, 1920, but there were many protests and the Interstate Commerce Commission suspended the effective date. After a

several changes, especially proposed reductions in the minimum weights on Kaffir corn, Milo Maize, ear corn and oats. One day last week a conference was held with a committee of railroad officials and the entire question was gone into thoroughly. A decision is expected at an early date.

Charge for Bulkheads or Partitions in Mixed Carloads of Grain

Not long ago one of our members in Indiana complained about a rule under which the railroads make a charge of \$5 a car for the privilege of installing bulkheads or partitions in cars loaded with mixed shipments of grain in bulk. This charge is required in addition to the cost of installation and material. This is a serious hardship on small dealers in the grain producing states as well as in the grain consuming states, especially at certain times of the year when there is a considerable demand for split cars of corn and oats. With the present financial situation, it is a hardship if country dealers are compelled to wait for an accumulation of either corn or oats in full carloads. This also works a hardship on small

retailers, as it practically compels them to buy full carloads of each kind when their means are limited and the demands are meager.

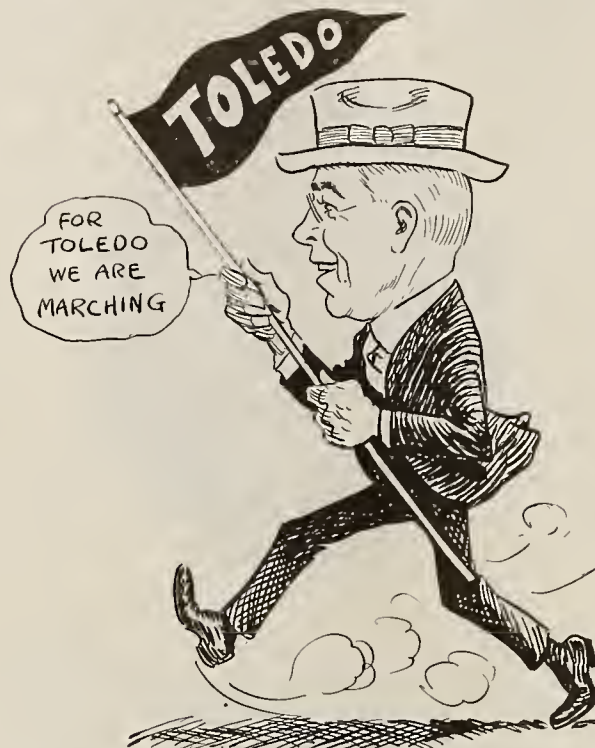
Investigation developed that virtually the same rule had been in effect for several years in territory west of the Mississippi River, but it did not apply in the East or South prior to May 15 or this year. I have had a great deal of correspondence with the traffic or transportation representatives of boards of trade or chambers of commerce located at the principal market points and I have ascertained that there is considerable complaint about this rule in the West as well as in the East and South. At a recent meeting, which was attended by representatives of several terminal market points, I was requested to have the subject docketed for consideration by the railroad freight rate committees in various sections. I therefore applied for a hearing on a proposition to amend the rule and abrogate the \$5 charge for the privilege of installing bulkheads in mixed carloads of grain or feed.

Readjustment of Freight Rates

Notwithstanding the heavy increases in transportation charges during August of last year, the railroads have not been able to earn the net revenue which it was assumed they would obtain under the transportation act, and the principal reason for this was the great decrease in the amount of business they were called on to handle. Railroads are the principal arteries of commerce and nearly everyone will admit that they must be kept in proper condition to handle traffic promptly and efficiently. In order to do this they must have sufficient revenue to maintain and improve their properties, as well as to keep up their equipment. I have given much thought to the railroad situation and I am convinced that the transportation rates are too high on many classes of traffic, particularly low-grade materials and farm products. On such commodities a reduction in freight rates would probably result in greater revenue to the carriers because of increased movement, especially for the longer hauls. Rates which were reasonable on agricultural products, at prices obtained last year, now seem entirely too high as compared with prices realized this year. Higher rates have had the effect of localizing business to a large extent, and another effect has been to increase the production of agricultural products in consuming territories to which the higher rates apply. This means that the railroads haul less grain into such sections and haul less of their products out, thereby losing revenue on traffic in both directions.

It is my belief that the transportation companies cannot make a general reduction in all rates without seriously impairing their efficiency. A restoration of the rate scales on all classes and commodities, in effect prior to August 26, 1920, would undoubtedly

of domestic and export rates on grain from the Central States to the Atlantic and Gulf sections. These reductions were made voluntarily by the railroads, and the primary reason was their desire to secure what they considered a fair share of grain to foreign countries in competition with the railroad systems that handle the same kind of traffic through Canadian ports. I have also taken a great deal of interest in the case before the Interstate Commerce Commission covering a demand of Western States for reductions in the freight rates on grain, grain products and hay. The hearing on this case began in Washington, Au-



FRED MAYER TALKED, ATE AND SLEPT TOLEDO

gust 15, and lasted three weeks. It is expected that the Commission will decide the case within a very short time, and I feel reasonably sure that substantial freight rate reductions will eventually result from this hearing.

General

Aside from reductions in freight rates on grain to Eastern Seaboard territory and the attack of Western States on the measure of freight rates in that section, one of the outstanding features in the Mississippi River basin is the fact that water transportation by the Mississippi-Warrior Barge Line has been established. This barge line is operated by governmental agencies and supposedly has been of great benefit to terminal markets located on the Mississippi River, and a benefit to producers and shippers at points tributary to the Mississippi River.

In the foregoing I have given you merely a brief outline of the work done on some of the principal subjects which are of general interest. Besides these matters, I have had a great deal of correspondence on a number of other topics and have given advice or information to many of our members on a variety of subjects, such as:

Reparation claims against the United States Government on traffic handled during Federal control.
Interest on claims for overcharges and for loss and damage.

War tax problems.

Transit rules.

Compensation by carriers for use of private equipment.

Charges for transfer of overloaded cars.

There were a number of others, but it is unnecessary to mention details covering all matters that have been handled. I would like to impress upon you and emphasize the value of organization in traffic and transportation work and the value of a central bureau through which such matters can be handled and through which information can be supplied to the members. Many of you have well organized traffic departments of your own and your traffic managers are capable men in their line, but they represent one shipping firm and when the railroads are dealing with any line of business they generally want to know what is desired by the industry as a whole. The transportation department of the Grain Dealers National Association gives an opportunity for the members to co-ordinate in these matters, find out what they want and then go after it.

In conclusion, I invite you to write me concerning your traffic and transportation difficulties. I assure you that communications of this kind will be given prompt attention and will be handled to the very best of my ability. Now if there are any questions that anyone would like to ask in regard to subjects of general interest to the grain trade, I will be glad for you to state what they are.

The President: Due to the importance of the next feature on the program and the earnest desire that careful consideration shall be given to the recommendations of the Committee who have had in charge

the codification of the constitution and by-laws, we have concluded to defer this matter until morning and adjourn at this time.

Without the formality of making a motion, I will suggest that we stand adjourned.

Tuesday Morning Session

The meeting was called to order by the president at 10 o'clock.

The President: We are singularly fortunate in having with us this morning and honoring us with his presence, the governor of the great state of Indiana, Governor Warren T. McCray, who will now address us.

ADDRESS OF GOVERNOR McCRAY

IT IS indeed a great pleasure for me to be with you this morning, and to have a place on the program of an organization of which I am a charter member, and had an active part in starting a quarter of a century ago.

As I look about me, I see but few of those who participated in the first meeting, which was held in a small room at the old Saratoga Hotel on Dearborn Street, where a part of the Fair Store building now stands.

I well remember that first meeting, brought about largely through the activities of our friend, Charles S. Clark, who was then a part of the force of the AMERICAN ELEVATOR AND GRAIN TRADE. The meeting was attended by only a few of the grain dealers nearby this great grain market, but they were men of force and determination, who made their impress upon the business by helping solve the problems of the grain trade of those and succeeding years.

Early Days of the Association

Many of the men who were instrumental in creating and developing this great organization in its struggling days of infancy, have crossed the Great Divide from whence there is no return. Their example and influence however, remain for our guidance and will continue to be felt as long as this organization continues to exist. Let us pause a moment in retrospection and pay tribute to their sacred and beloved memory.

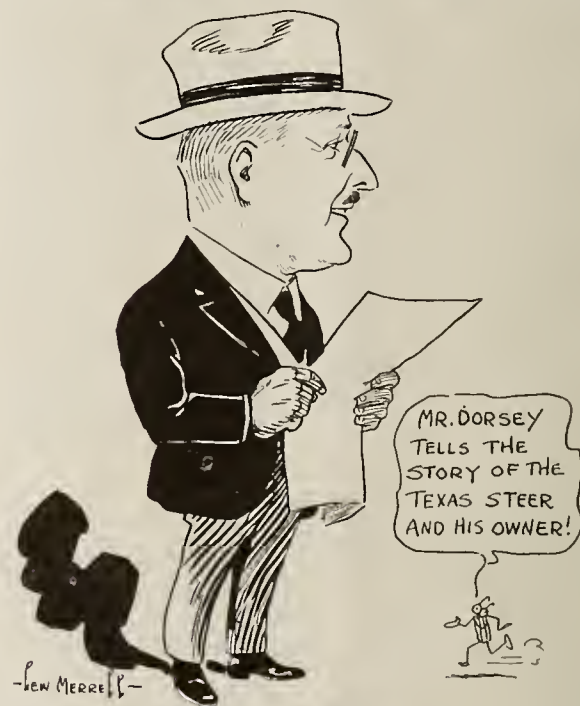
Among the early enthusiastic workers, whose influence and ability contributed so largely to the stability of the foundation upon which this organization was built, might be mentioned E. S. Greenleaf, the first president; T. P. Baxter, the successor to Mr. Greenleaf; Arthur R. Sawers of Chicago, one of the early directors; Harry S. Grimes of Portsmouth, Ohio, one of the most genial of men; H. H. Peters, Capt. Isaac



F. B. BELL BOOSTED FOR MILWAUKEE

bankrupt a number of the carriers. Recent statistics show that the freight tonnage was about 24 per cent less than for corresponding period last year, while at the same time the freight revenue was about 2 per cent greater. Since the reduction in wages last July, a great many railroads are beginning to show a fair balance on the right side of their ledgers. It is my belief that the time is at hand when railroads can be persuaded or compelled to modify some of their rates. I think that the time has not yet arrived when general reductions can be made in the rates on all classes and commodities. Undoubtedly agriculture is the basic industry of this country, and reductions in the rates on farm products will result in the greatest good to the largest number of people. After rates are readjusted on farm products there should then be considered the rates on fuel and basic materials used in manufacture.

I have followed with much interest the modification



H. B. DORSEY NEVER FORGOT TEXAS

P. Rumsey, both men of marked ability and loyalty to the organization. These are a few of the names that come to me, but they typify the men who banded themselves together to correct the injustices of the grain trade of their day, and to stabilize the business of the future.

They had the vision of what has since become an actual reality and the organization of to-day, powerful and far reaching in its influence for a square deal, attests to the soundness of the principles which inspired its founders. The work started in 1896; it will never be completed. Changing circumstances demand new and changing remedies. With new conditions comes new responsibilities. This calls for alert activity upon the part of the organization all the time.

The organization has grown so strong, and its membership has so extended, that its influences and re-

sponsibilities are correspondingly increased, and its duties are therefore enlarged. These are times when the wholesome influence of all organizations standing for the improvement of society in general, and for the business interests in particular, should cry out and make themselves heard upon all questions that so vitally affect our national well being.

The question of what can be done in order to bring about as speedily as possible a better business situation is one that is vitally pressing. It is a question that concerns every person in the nation and doubtless can be answered in a variety of ways, any one of which may seem to be the real panacea for our present ills to the person who offers the supposed remedy.

To my mind there are several influences, each contributing its part to the general unsatisfactory business situation, the solution of which would assist in stabilizing conditions as fast as they could be placed in operation.

Better Demand for Farmers' Products Must be Created

First in importance is the solution of the question of creating a better demand for the products of the farm and range. The farmer is now bearing more than his proportion of the economic burden and a way must be found to readjust this load. It cannot continue longer without serious and everlasting damage to the agricultural industry. Agriculture and its allied occupations form the cornerstone of a very large part of our national wealth, equalling the total value of all other industries combined.

It is apparent, that on account of the importance of the position it occupies as a basic industry, the prosperity of the country depends largely upon the success of the farmer. As an economic question it is generally admitted that the business situation of the nation is controlled to a very large degree by his buying power. When his capacity to purchase manufactured goods has been destroyed, a powerful brake has been placed upon all forms of business activities, labor ceases to find employment and the buying power that accompanies satisfied and regular employment is curtailed, business slows up, and becomes stagnant, and a general depression takes place such as we are now passing through.

The fact that the farmer has been unable to dispose of his products both of the field and of the pastures during the past year, at prices that would return the original cost of production has had a great deal to do with the underconsumption of the country during that period. It should be plain to all, that one of the first things to be done to revive business, is to place agriculture upon a firm basis, by providing credit for legitimate uses and by the extension of the limits of our present market area.

The world sorely needs the surplus of food products that have accumulated in this country and some way should be provided whereby those starving nations which are now being kept alive through the beneficence of others could be enabled to purchase our products through a system of international credits and thus help support themselves, and at the same time, stimulate and prevent our most important and deserving industry from going into general bankruptcy.

It is the surplus we produce, regardless of what per cent of the whole that it represents, that ultimately regulates the price. So long as we have a demand that exceeds the supply, however small, it will foster a business condition that will provide employment to labor, and prosperity prevails when labor is regularly employed at satisfactory wages.

Limited Markets Confront Us

The trouble at present is that we are confronted with a limited market both at home and abroad. If our foreign trade could be extended, our factories would open up their doors, and wheels of industry would begin to whirl, our home market would improve simultaneously in direct proportion with the foreign demand and conditions would immediately begin to get better.

We must, therefore reach the inevitable conclusion that we must cultivate a foreign demand for a part of our products, even to the extent of financing the countries needing our supplies. We have reached the point when we must be commercial internationalists, whether we like the doctrine of internationalism or not. I am an American through and through, my forebears fought in the Revolutionary War to establish the independence of this nation. I stand for America and its interests all the time and for that reason I am anxious to see America become a dominant factor in the world's trade. This can be done if we extend the required credit and put forth the right kind of effort to acquire the business.

We are living under the influences that we re-created by international complications. The burden of debt under which the world is now struggling, and will continue to struggle for generations to come, was brought about by international strife. The terrible woe and suffering, the bloodshed and sorrow that shocked and stunned the world, were caused by the ambition of the war lords of a powerful, selfish nation, to rule the universe.

We were forced into the conflict to preserve our rights, and to maintain our self-respect, and through our intervention the security of a world was saved by the unparalleled bravery and gallantry of our

soldiery backed up by the powerful resources of the united, loyal and determined people. It is now our plain duty to continue to take our part in the affairs of the world in order to protect ourselves commercially, as well as physically, and to render services to those who will continually need the support of a powerful, unselfish and righteous nation.

Liberty Bonds Should be Maintained at Par

I am also of the opinion that conditions could be improved greatly by restoring our Liberty Bonds to their face value. It is all the more regrettable that these obligations of the Nation are selling below par. It is a serious damage to the credit of any person, firm or corporation to have its paper offered at a discount, but it is a burning shame and an everlasting reproach to have the bonds of a rich country, the creditor nation of the world, selling at less than their face value. It is all the more regrettable that this condition is allowed to exist from the fact that a large volume of these bonds were sold to individuals who were not investors in securities of any kind, but who were induced to make the purchase from patriotic motives, with the supreme faith that if necessary to liquidate, they would never be forced to sell the obligations of their country at a sacrifice.

The value of our bonds should be maintained at par by the Federal Government, through the Reserve Banks, by the adoption of a policy whereby they could be used as collateral at approximately their par value by the members banks, and thus put thousands of dollars in circulation through securities that are now in safety boxes, or other places of hiding. This action would create a volume of credit and produce



GOVERNOR WARREN T. MCCRAY

actual money that would assist greatly at this time in helping to put the country in a better financial condition.

Reduction in Freight Rates Necessary

I also believe that another fundamental thing that must be done before we can see much revival in business, is to have a general reduction in freight rates on raw materials. Experience has proved that there is a psychological point in the patronage of public utilities beyond which the public will not go, unless they are absolutely compelled.

There are vast amounts of raw material to be moved which now lay dormant because the business cannot bear the present excessive freight rates. There are some things which are so obvious that they are accepted without argument. It is admitted without debate that idle men do not create wealth, and it is equally true that idle cars on the side track and idle locomotives in the roundhouse do not produce incomes or pay dividends. The rates have advanced so steadily that in many instances they are 100 per cent more than they were in 1914.

The railroads must share with the farmers and manufacturers the burden of the present situation by reducing their freight rates to a reasonable basis. The present high rates of freight will restrict production and paralyze industry. With decreased freight rates, operating expenses must be correspondingly reduced.

Labor must bear its part in the reconstruction program by accepting the wage reductions that are bound to come, before the general situation can be permanently improved. Every person who has ever given the subject serious thought must know that labor should be liberally compensated. It is a just law which gives labor claims precedent over other liens, and likewise the claims of labor should have first consideration in determining what is right and fair, should be in just and reasonable proportion to other existing conditions, all of which must be taken into

consideration in determining what is right and fair, and just to all interests involved.

We must all deflate together, in as near a true and equal proportion as possible. The perpetuity of our institutions is not secure unless the masses of workmen, farmers, manufacturers, and in fact society in general, feel and know that under these institutions they will each receive a square deal based upon principles of what is right, rational, and practicable.

Our Duty Today

We must approach and solve all these perplexing and disturbing questions with common sense, mutual trust, and with the fullest respect for the rights of each other. They must be dealt with according to an exalted standard of justice and human sympathy, with a spirit of malice toward none, and charity for all as the corner stone, and determined by the broad principles found in the Golden Rule, as proclaimed by the lowly Nazarene ages ago, and which still stand as the best measure ever proposed for the settlement of human differences.

This organization, composed as it is of men who possess the brightest and keenest minds in their respective localities, has a greater responsibility in moulding and forming public sentiment in the right direction. It is our duty as American citizens and as members of the Association, to assist in teaching the doctrine of fair play, and of pure Americanism, at all times, and under all circumstances. The thought that should be uppermost in the minds of every American citizen to-day should be "What is my duty to my state and my country?"

During the dark days of the great World War, when 4,000,000 of our bravest and best sons were under arms, many of whom were daily entering the dark shadows of death, and all stood ready to go whenever and wherever called, our duty was plain. It was either to join the armed forces at the front, or to serve in that equally important organization, the second line of defense which furnished the boys on the firing line, and in the camps, that support which contributed so much to their strength and comfort, their courage and unconquerable spirit.

Now that the war is over, and the army has been demobilized and our gallant soldiers have again become civilians, our loyalty and devotion to our country is just as important, and our duty as citizens just as plain as when we were engaged in the deadly strife. It is the consciousness of this duty that we owe to our country that has made us the greatest nation on the face of the globe today. It was that impelling sentiment which gave us the victory together with our Allies over autocracy and brutality. It was that compelling sense of devotion that inspired all alike, whether at the front, in the camp or in the home with a spirit of sacrifice that has never been equalled except when our beloved Saviour gave up his life on the cross that the whole world might be redeemed and saved.

Now that we are no longer fired by the enthusiasm that accompanies war, we must meet the test of the quality of our patriotism by grappling with the questions which confront us and which most naturally follow in the wake of such political disturbances as we have recently passed through.

The Dangerous Element

The most dangerous element in our country today is that element which does not realize its responsibility to our Government, and is willing to remain inactive and indifferent while the enemies of good government and law and order, are spreading abroad their seditious and disloyal propaganda. Since the close of the war we have heard a great deal of talk of a vague and blatant character about patriotism, Americanism and anti-Bolshevism.

While the terrible struggle was in progress we eagerly responded to every demand made upon us no matter how often the demands came, or how much hardship accompanied their fulfillment. During those critical days we blindly followed the mandates of those in authority, loyalty, and with a degree of fealty, unsurpassed in all history. Without a question of doubt, or uncertainty of any plans proposed, we accepted the call and went forward nobly and unselfishly to the task imposed.

Those conditions are now past. The burdens of peace are upon us, bringing before us reconstruction problems which are no less important, or easier to solve than those of war. These problems are definite and pressing, and the remedies should also be definite and constructive.

Loyalty—Respect—Co-operation

Loyalty to American institutions, respect for the laws of our country, individual co-operation in the enforcement of the law are not qualities that belong to a condition of war, any more than they belong to a condition of peace.

These great fundamental principles should be so perfectly engrafted into our very natures, that there should be no irregularity or instability in our devotion to their tenets. They should constitute a part of the very fibre of every American citizen.

The time to begin to inculcate this spirit of Americanism is with the first lessons of early childhood. Simultaneously with its growth, and development, the child should be taught its duty to its God, its par-

ents, and its country. A definite appreciation of our individual relationship and responsibility to our Government, is the best possible insurance against anarchy and Bolshevism.

The natural and logical result of such early and systematic training is that the child as he grows in understanding, adds to his respect for his government, knowledge of his country's ideals, belief in his country's aims, and a natural pride in his country's history, never forgetting that he himself has a duty to perform as a loyal subject to the Government.

For years we have boasted of the advantage of our American institutions, and American freedom, and the world has looked on with wonder and approval. We have been lavish in extending the benefits of our form of government. We have opened wide the gate of American liberty, which guarantees equal opportunity and its corresponding reward. We have invited the world to come.

The downcast and oppressed of all Nations accepted our invitation and came, and stood erect and strong in the stimulating atmosphere of new found liberty. The poor and struggling, the ambitious and industrious came, and found opportunity and promotion awaiting them with open arms. They were welcome, and it made a mixed race of people of us from the very beginning.

Believing in the fullness of human liberty, and of the guarantee of our nationality, this blend of people from all nations, moulded into Americans, loyal to the very soul, fought and died in the uniform of blue to save the nation when national existence was at stake, in the early Sixties. Again when the hot breath of war was borne across the seas, and we were compelled to take up arms to uphold the dignity of our country, and defend the rights of our people against the unspeakable atrocities and cruel inhumanities of a powerful war-mad nation, the great mass of these adopted sons and daughters of this Republic saw no flag but the flag of the United States, and again the blood of all the nations of Europe, was fused with the blood of our native born to brighten its crimson stripes. We must, as in these historic instances, stand united to preserve American opportunity and defend American ideals of Justice.

We must save for future generations, the temple of the Republic. We must have a soul in our national life.

We must light the way of the United States with the spirit of its founders, and the spirit of its saviors and make and hold it a republic of one people, who stand for eternal justice to all mankind.

Our New-Found Citizens

It is most important that careful training be given to all those who seek admission into this country and desire to become American citizens in spirit and in truth.

Unless they declare their avowed intention of becoming American citizens in the fullest meaning of the term, and are willing to learn and speak our language

purposes there comes an opportunity for service. They not only can vote intelligently, but they can do much more. They can inform themselves on all public matters. They can take their part in local affairs and give a part of their time and ability to the study of public and political questions.

Today's Great Need

The great need of America today, is an intelligent, informed and interested electorate. This should be, and can be, the logical outgrowth of the right sort of training in our public schools. We should call to our nation's service today the very best we have, a citizen army informed as to the nation's needs, each man ready and willing to make his personal contribution of unselfish and intelligent participation in state affairs.

We are now passing through a period when the whole world is in a state of unrest and turmoil. This condition is but the natural result of a great world war, but it is serious nevertheless, and calls for the most careful thought and action on the part of every loyal American citizen.

Business is disturbed, credits are restricted, labor is unemployed, and the whole machinery is badly out of gear. I have faith that the native common sense of the American people can be safely depended upon to again bring order out of chaos, and that we will soon emerge from the squalls through which we are passing into a calm and safe harbor, where all will again be peaceful and secure, and business will again go forward with its old time vigor and vim. Let this organization measure up to its responsibility and do its full duty in these perplexing days of reconstruction by helping to establish the early return to better business conditions, and by lending its support and strength to those fundamental principles of our Government which have made the nation the wonder and marvel of the civilized world. (Applause.)

The President: I know I express the sentiment of every member of this convention when I say that we have just listened to a most magnificent address. (Applause.) I myself am grateful for the opportunity afforded me to have heard from the lips of this Governor the inspiring words that he uttered. I am glad indeed that it has been my good fortune to have listened to what he had to say with reference to our great organization and the part that he took and the participation that he had in its organization. I did not know, as I should have, the early history of the Grain Dealers National Association. I, of course, have only been interested particularly in its late activities, but I am glad indeed to have been informed as I have been by the words and the teaching of the Governor.

Mr. Dorsey: I believe this is the Silver Anniversary, 25 years, of this organization, and if it has been worth anything at all to the grain trade and the members of this Association and its affiliated associations, I think we who are active in the business now owe a vote of thanks to those who have taken

us this morning Dr. Magill of the Winnipeg Exchange. I am sure you will appreciate hearing from him, and that he will be glad to bring us a word of greeting from the Canadian Northwest. (Applause.)

Dr. Magill: I had expected to come down and learn, and enjoy the meetings without being called upon to say anything. It is just a mark of your kindness, sir, and the kindness of your Association, that you should give the representative of the Canadian Northwest this recognition at your convention.

We always attend with pleasure. A much larger number of our members would come down if the meeting could be held at another season. You will



DR. R. MAGILL

understand that up with us, just as in the Dakotas and Minnesota, the present is the busiest and most troublous time of the year. Were it not for that, a large number of our Canadian grain men would attend this convention every year. Those of us who have come down have always had a good time, and have always learned a great deal.

What has impressed us most in the past, and what has impressed me most at this convention, is the similarity, I might say the identity, of our conditions. You are suffering from deflation, and so are we; you have climatic troubles, and so have we. We have either too little rain or too much rain, and we have smut or we have rust, and so on. Those things, however, cannot be controlled. Then we are like you in the fact that we have a great deal of agitation. We have many proposals along the line of freak legislation. We have grain laws, and we have the referendum and the initiative, and all that sort of thing; and we have prohibition and all the rest of it.

And, really, I think you and we would agree that bad as are the troubles of deflation, bad as are those of the climate, perhaps the most baffling things along the line of the business development of our respective countries arise from all these agitations and all this sort of thing. It is very difficult to know just what to do with them.

I was also impressed by the fact, so wonderfully brought out yesterday morning, that in this country of yours a great deal of trouble could be avoided if Americans would only study their Constitution. I think, Mr. President, that I might qualify to be an American, because I am very familiar with your Constitution. I should not like to think that 90 per cent of the Canadian people had not read your Constitution. It is very much of a surprise to me, and I think that bye and bye I shall have to come down and do a little missionary work, if you will permit me (laughter), and just say that those of us who live outside of the United States believe that if you would only study your Constitution more, pay a little more attention to it, not only would you have a great deal less trouble, but your friends who live outside of your territories would also have a great deal less trouble. (Laughter.)

We, too, have a constitution up in the North, strange as that may seem to you. I should not dream of asking you to read our Constitution until you read your own, and of course you would not understand either ours or anybody else's constitution so long as you didn't understand or practice your own. But, really, it is amazing, the similarity, the identity, of the underlying principles common to your Constitution and ours. And it may interest some of you grain men to know that in our troubles in the grain trade, when those troubles with our Government became acute a few weeks ago, it occurred to us in the grain



THE BUFFALO MARKET WAS WELL REPRESENTED

and to abide by our customs and our laws, they should not be permitted to enter our portals. We want no 50-50 Americans, and we positively will not tolerate anti-Americans.

We must prepare these new comers for the baptism of Americanism by a campaign of organized patient, persistent, nation-wide education, teaching them the sane and sound doctrine of complete allegiance to America and her institutions.

It should therefore be apparent to all observers that it is our plain duty to give to the Government our active and intelligent participation in its affairs. There is no duty of citizenship, no test of Americanism, no evidence of patriotism, so apparent as the duty that devolves upon each of us as individuals to do our political part.

Not every person can run for office, nor be elected. That kind of service is not universally possible. However, to all those who love their country, and who have full appreciation of their country's needs and

such an active part in the past. I move a rising vote of thanks to Governor McCray, and also to Charles S. Clark, who, the Governor tells us, called the first meeting, and who, I happen to know, served as the secretary of this organization for several years without pay; and to those other four gentlemen who are present, and who were present also at that first meeting of the Association, Mr. M. McFarlin of Des Moines, Iowa; Mr. E. A. Grubbs of Greenville, Ohio; Mr. L. H. Blankenbaker of Sidney, Ill., and Mr. A. E. Hartley of Lafayette, Ind. In fact, I want to include all those who participated in the organization of the Association. I move we extend to them as a mark of our appreciation a rising vote of thanks. (Seconded by Mr. O'Bannon, and unanimously carried.)

The President: I have a wire communication here from Mr. M. Snow, secretary of the Northwest Grain Dealers Association of Canada, which I should like to read at this time. (Reads.)

The President: I understand we have present with

business that the best thing to do would be to test whether the step taken at that time by our Government was within the limitations of our Constitution. And the surprising results were that our court held that the step taken against us by our Government, against the grain trade, I mean, was outside our Canadian Constitution, and we got rid of the thing and got rid of it pretty thoroughly. (Applause.)

Mr. President, I need not repeat what I have said, and what I always feel when I come down here, how similar are our difficulties, how identical are the fundamental principles on which we live, and how, if we could only keep to these constitutions, so much of your troubles and ours would be avoided.

Up in the Northwest we have a crop this year of 260,000,000 or 270,000,000 bushels of wheat. Some of it is still coming into this country, which may surprise you. We hope it isn't doing you any harm. I remark, in conclusion, as I remarked when I began, that we appreciate your kindness to us and the friend-

Laws. Mr. Eikenberry, chairman. And I suppose we had better take this up a section at a time. (The complete Constitution and By-Laws as finally amended and adopted will be found at the conclusion of the discussion at the end of the Tuesday afternoon session.)

Mr. Eikenberry: Your Committee appointed at the Minneapolis Convention to revise and codify the Constitution and By-Laws of the National Association met in Toledo on the thirteenth and fourteenth of May, and I have the honor of presenting the results of the labors of that Committee.

There was no change in the preamble excepting the addition of the words "and grain products" after "grain" in the second line.

Mr. Dorsey: I move an amendment thereto, that it read, instead of "We the undersigned," "We, the members of the Grain Dealers National Association."

Mr. Eikenberry: The Grain Dealers National Association was not in existence when this preamble was adopted.

Mr. Dorsey: But we are in existence now.

Mr. Sayles: I think it is right as it is. No one can get into the Association without signing the articles of the Association.

Mr. Forbell: I move the adoption of the preamble as read. (Seconded by Mr. Reynolds, and carried). (The Chairman reads Article I, Section 1).

Mr. Green: I move its adoption. (Seconded by Mr. Strong, and carried).

(Chairman reads Article II, Section 1).

Mr. Eikenberry: This is not a change in spirit or practice. There has at all times been a class of honorary members, but they have never been recognized by the Constitution.

Mr. Green: I move its adoption as read. (Seconded by Mr. Pollock, and carried).

Mr. Eikenberry: I want to call attention to the fact that (a) has been changed.

Mr. Dorsey: Mr. Bishop, the president of our Association, and I have studied these, and we would like to know just how these changes will affect our members. Under 1, receivers, tracks buyers and brokers are only eligible to direct membership. Fifty members of our Association are direct members of this Association, who are not eligible under this paragraph. The second paragraph does not cover it because we are affiliated territory. These sections will very materially affect the membership of our organization so far as direct membership in this organization is concerned.

Mr. Eikenberry: We strove to guard carefully the rights and interests of the affiliated associations even at the sacrifice of the interests of the National Association. This extends the rights and privileges of membership in the National Association to members such as Mr. Dorsey describes without the necessity of their becoming direct members, so if he has 50 country elevator members, who are members of the National Association, that fact does not impair his Association in the least. They cannot get membership in the Texas Association by becoming direct members of the National Association, but they can get privileges of membership in the National Association by becoming members of the Texas Association.

Mr. Dorsey: We have no objection to it, but want to call attention to it as affecting this organization so far as direct membership is concerned.

Mr. Eikenberry: We knew we were sacrificing something, but we recognized the benefit of the affiliation of the state associations and all the strength that comes to the National Association from that association. We have striven in all cases to guard the interests of the state associations, even though we had in one or two cases to sacrifice something for the National Association.

Mr. Dorsey: You are trading \$20 for \$1 in that case.

Mr. Eikenberry: Yes, but we must draw the line some place.

Mr. Dorsey: We do not object to that, but we do object to Paragraph 3.

Mr. Eikenberry: We knew this would bring up discussion, but we have been impartial in this matter and have drawn a distinct line as to what dealers may come in as affiliated members and who must come in as direct members of the National Association.

Mr. Dorsey: We have a great many dealers of that class who are members of our organization, and they will be deprived of those privileges and benefits on account of being track buyers. We are taxed for them, and still they have no privileges.

Mr. Riley: You do not pay dues on them. They cannot be affiliated, and you do not pay dues on any except those who are affiliated. They are barred from affiliation, but are not barred from direct membership in both organizations.

Mr. Dorsey: We do not think you should restrict them. They should be privileged to call an arbitration with a member of your Association.

Mr. Riley: They can.

Mr. Dorsey: Not under this. They are deprived of the privilege granted them under the affiliation.

Mr. Eikenberry: How many members of that character have you?

Mr. Dorsey: From 50 to 75.

Mr. Eikenberry: You raised an objection to the other paragraph.

Mr. Dorsey: No, we did not.

Mr. Eikenberry: You raised an objection there.

There are 50 members who are members of the National Association, which this makes ineligible, and makes them come in through your Association as direct members. I believe it means a 50-50 trade for you. We are taking something away from you and giving something back, and I believe it is fair. This does not prevent those members from becoming members of the Texas Association, but they must pay their dues in the National Association. They can hold both memberships.

Mr. Cassidy: I have an amendment I would like to read, by adding a section as follows: No person, firm or corporation who shall operate in connection with any organization antagonistic to the competitive system of marketing grain shall be eligible to membership, and move its adoption.

Mr. Wayne: I will second that.

Mr. Wells: That would not suit our situation. We have many co-operative elevators who are members of our organization.

Mr. McCord: The same is true of Ohio.

Mr. Riley: It would interfere with from 15 to 25 per cent of our membership. I do not believe in the spirit of antagonism in the Constitution and By-Laws of our organization. (Amendment lost).

(Chairman reads Section 2).

Mr. Green: I move its adoption. (Seconded by Mr. McCord, and carried).

(Chairman reads Section 1, Article III).

Mr. Wells: I move its adoption. (Seconded by Mr. Sager, and carried).

(Chairman reads Section 2, and moves its adoption. Seconded by Mr. Green, and carried).

(Chairman reads Section 1 of Article IV, and moves its adoption. Seconded by Mr. Wells, and carried).

(Chairman reads Section 2. Mr. Culp moves adoption. Seconded by Mr. Green, and carried).

(Chairman reads Section 3, and moves its adoption. Seconded by Mr. Wells, and carried).

(Chairman moves adoption of Section 4 as read. Seconded by Mr. McCord).

Mr. Reynolds: I would suggest the insertion of "as such" after "Honorary members." Their duties are often dual. They represent their firms, and have individual membership outside of their honorary membership.

Mr. Culp: I move the adoption of the section as amended by Mr. Reynolds. (Seconded by Mr. Reynolds, and carried).

(Chairman reads Section 5, and moves its adoption. Seconded by Mr. Green, and carried).

Mr. Dorsey: It seems to me that clause about not allowing proxies is contrary to the practices of all business organizations. I do not think we should go



H. B. DORSEY AND J. E. BISHOP
Officers of the Texas Association

ship of your country and ours, and I bring to you at this convention the heartiest greetings of our grain trade of the Northwest, and I thank you.

Mr. McFarlin: May I ask Dr. Magill a question?

The President: I am sure Dr. Magill will accede.

Mr. McFarlin: I am from Iowa, really the headquarters of the organization of the farm bureau movement. Our present Secretary of Agriculture, Mr. Wallace, took a leading part in that, and it resulted in the organization of the Grain Growers Association, and the men talking in favor of those movements frequently refer to the organized farmers of Western Canada in handling their own grain. I would like to ask Dr. Magill about what proportion of the grain of Western Canada is handled by the farmers' organization?

Dr. Magill: We have two farmers' organizations in the Northwest. One is called the United Grain Growers, and the other is called the Saskatchewan Co-operative. The United Grain Growers operate in Alberta and Manitoba; the Saskatchewan Co-operative only in Saskatchewan. We have about 4,000 licensed country elevators between the Great Lakes and the Rockies. The two farmers' companies own and operate about 500 of these elevators. We have about 55,000,000 bushels of terminal elevator capacity at the Head of the Lakes. The two farmers' companies have terminal capacity of 5,000,000 bushels at the Head of the Lakes.

Both of these companies are joint stock companies. The shares are owned by farmers. Both are members of the Winnipeg Grain Exchange, both have been members of the Winnipeg Grain Exchange for years, and both operate under our rules. Both have succeeded to the degree to which they have accepted and operated upon those methods of handling grain that were tested, tried and developed for generations before those companies came into existence. They are, therefore, just like any other organization operated under like methods as joint stock companies handling grain. As to total amount of grain that they handle in Western Canada, I should think that out of a crop of 250,000,000 bushels, they would handle probably anywhere from 30,000,000 to 50,000,000 bushels of wheat.

The President: We have enjoyed hearing from Dr. Magill and appreciate the information he has given us.

Mr. Dorsey: I understand we have not yet considered the report of Committee on Revision of Constitution and By-Laws, and believe now would be a good time to take that up. These are very important, and should have most earnest consideration. The courts of the country are holding that these constitutions and by-laws of the National Association and the state associations are law, that they represent the general customs and practices of the trade, and since they affect our business so vitally, I believe they should be most fully considered and discussed.

The President: This suggestion is a very good one indeed. It is of the utmost importance that every member of our Association should give consideration to this important legislation. We will now have the report of the Committee on Constitution and By-



FRED HAIGH AND "KENT" KEILHOLTZ

so far. It is a long way from Texas to Minneapolis. We might not be able to attend a meeting, but we do not want to be deprived of representation. I am not going to make a motion with reference to it, but it seems somewhat unfair.

(Chairman reads Section 6).

Mr. Green: I move its adoption. (Seconded by Mr. Wells, and carried).

(Chairman reads Section 1, Article V).

Mr. Green: I move its adoption. (Seconded by Mr. Reynolds, and carried).

(Chairman reads Section 2).

Mr. Eikenberry: This is practically a new section. The old Constitution left out anything as to the term of the president. I move its adoption. (Seconded by Mr. Wilkinson, and carried).

(Chairman reads Section 3. Mr. Green moves its adoption. Seconded by Mr. Reynolds, and carried).

(Chairman reads Section 1 of Article VI, and moves its adoption. Seconded by Mr. Sager, and carried).

(Chairman reads Section 2).

Mr. Green: I move its adoption. (Seconded by Mr. Culp, and carried).

(Chairman reads Section 1, Article I of By-Laws.)

Mr. Eikenberry: This matter has all been re-

arranged. Some was taken out of the old Constitution and put in the By-Laws. I move Section 1 be adopted.

Mr. Reynolds: I will second the motion.

Mr. Forbell: It seems unwise to limit the number of arbitration committees. There might be an emergency when the arbitration cases are piled up, where the president might want to appoint more than six of these committees. I move that the word "six" be dropped from the section.

The Secretary: Mr. Forbell has brought out a point I wish to discuss for a moment. In the past, as the Association gained in membership, and it became necessary to increase the number of arbitration committees, every time that necessity arose we have had to wait until the annual meeting, and then go through the formula of changing the By-Laws. At the time the Constitution and By-Laws were codified this matter escaped us. It was called to my attention afterward by Mr. Adolph Gerstenberg and some others who had served on arbitration committees. I believe Mr. Forbell's point is well taken.

Mr. Reynolds: It might be made "six or more."

Mr. Goemann: You might just drop the word "six," and that leaves it to the president to appoint as many committees as are necessary.

Mr. Clemons: Why not substitute in place of the word "six" "as many committees for arbitration as are necessary"?

Mr. Pollock: I believe Mr. Reynolds' suggestion is a good one.

Mr. Eikenberry: But it might be less instead of more.

Mr. Sayles: I move the word "six" between "Products" and "Committees" be eliminated. (Seconded by Mr. Pollock).

Mr. Eikenberry: This gives the president the power to appoint as few or as many as he desires, without any responsibility being placed any place else. I wondered if it might not be "such number of arbitration committees as might be deemed necessary by the Executive Committee."

Mr. Reynolds: The labors of these committees become arduous, and with too much flexibility we are apt to have the committees say "Let us have more committees and lighten our work," and in the end, instead of having arbitration, you have popular vote. I first suggested the insertion of the words "or more," but I now believe we should let it stand as it is. It might place the president in the wrong position. (Motion of Mr. Sayles carried).

Mr. O'Bannon: Did you consider whether four directors out of 30 were sufficient for calling a meeting? Isn't that rather a small representation?

Mr. Eikenberry: That received consideration. It was made low to make the organization as democratic as possible. With a higher number, a situation might arise where a certain group who wanted an expression on a certain situation might find it difficult to get that expression. Their proposition might not be of interest to the rest of us, and while not adverse to our interests, still a matter of indifference. With this as it stands, that small group could call such a meeting.

Mr. O'Bannon: It is satisfactory to me.

Mr. Goemann: I move the adoption of Section 1 as amended. (Seconded by Mr. Sayles, and carried).

(Chairman reads Section 2, and moves its adoption. Seconded by Mr. Culp, and carried).

(Chairman reads Section 3).

(Mr. Reynolds moves adoption. Seconded by Mr. Pollock).

Mr. Dorsey: I believe there should be a majority of the directors to constitute a quorum.

Mr. Eikenberry: It is sometimes difficult to get a quorum. Mr. Quinn, who is near sighted anyway, has been compelled at different times to stretch his imagination to count men in the back row which he could not see but knew were there. If he could see better, perhaps we never would have a quorum. We are not working a hardship or injustice, because a meeting of the Board cannot be held without due notice to every member of the Board.

Mr. Dorsey: Where there is not a majority present, it seems to me it would be only fair to submit important matters to a vote by mail.

Mr. Eikenberry: We frequently do that on matters of importance.

Mr. McCord: Sometimes after the close of the meeting we are lucky to get 10. I move we adopt Section 3 in its entirety. (Seconded by Mr. Culp, and carried).

(Chairman reads Section 4, and moves adoption. Seconded by Mr. Green, and carried).

(Chairman reads Section 5, and moves adoption. Seconded by Mr. Green).

Mr. Dorsey: Farther back the president has the power to procure counsel. Here it says that in all matters wherein counsel may be necessary, it may be referred to the Board of Directors by the secretary.

Mr. Eikenberry: It may be referred, but we do not say it should be referred. There are cases in which counsel must be employed on the moment. The president has the power to act as chief executive officer. But if there is some doubt as to the advisability of employing counsel and entering into litigation, then it may be referred to the Executive Committee.

Mr. Dorsey: What do you consider the secretary?

Mr. Eikenberry: He is named as an officer. All

the others below the secretary are employees. (Motion carried).

(Chairman reads Section 1 of Article II, and moves its adoption.

Mr. Reynolds: I will second the motion.

Mr. Riley: Suppose there are conflicting interests among the members of the Grain Dealers National Association, what would be the attitude then of this department? Would they have to remain neutral?

The Secretary: Surely. Cases like that are coming up constantly. The Association does not assume to take action in any case of a sectional or local nature, or where various interests conflict. It is only general transportation problems affecting the trade as a whole. (Motion carried).

(Chairman reads Section 2).

Mr. Reynolds: I think one of the duties of this Legislative Committee should be at all times to keep closely in touch with the secretary regarding legislative matters. One of the hardest questions we have had to settle often times was the policy to adopt, not anything more than what the Board of Directors have done on certain matters of policy, of which the secretary is always informed. I would move the addition of "and it shall at all times keep in close communication with the secretary on all matters pertaining to all legislative policies." With that, I move the adoption of the section.

Mr. Eikenberry: We have no objection to it, if it is necessary.

Mr. Reynolds: The Board fixes the policies in matters of great necessity. Often times we have been called suddenly to present a matter of policy, and if the secretary is communicated with it may often save an error. I think the Legislative Committee will always find that a good thing to do.

The Secretary: I think, however, it is taken for granted.

Mr. Reynolds: Yes, but it might be overstepped. It was once before your time seriously overstepped.

The Secretary: You would make it mandatory on the chairman to get in touch with the secretary on these problems before any action be taken?

Mr. Reynolds: Well, keep in close touch with him. If he is thoroughly informed, and he sees a breaker ahead, he will look out for it.

The Secretary: Why wouldn't that apply to other chairmen as well?

Mr. Reynolds: We are called upon suddenly to say what we will do on a certain question. We are called often by telephone. This cannot hurt anything.

The Secretary: I of course have no objection to it.

Mr. Eikenberry: I would suggest that be put in first, "This Committee shall keep in close touch, etc." I would put it right after "The Committee on Legislation shall consist of five members," and it shall be its duty to advocate, etc." (Motion seconded by Mr. Culp, and carried).

(Chairman reads Section 3).

Mr. Green: I move its adoption.

Mr. Riley: I want to offer an amendment that the Trade Rules Committee shall consist of five members as it now reads, two of whom shall be affiliated members of the Association. It has been the rule to have one or more members from the country shippers, they being the only ones that can be affiliated, and it has been the rule to have them on the Trade Rules Committee; but sometimes it has been overlooked. Sometimes the Committee has been made up of direct members, not recognizing the affiliated territory. There is no question but that the trade rules govern more transactions in which the affiliated members are the interested people than any other class of rules. The direct members being board of trade members are largely governed by the board of trade rules and not by these rules. Hence it seems to me the interests of the general trade would be better served if that were the policy, and if to bring that about this should be amended, I would like to see that amendment, and will so move.

Mr. Eikenberry: I would agree to that, and it is agreeable to the other members of the Committee also. (Amendment seconded and carried).

Mr. Strong: As the members of the Arbitration Committees know better what new rules are needed and what changes should be made than any one else, I would suggest that all the members of the Arbitration Committees compose the Trade Rules Committee, and that the manner of voting whether to accept or reject be made by mail instead of at the convention. In that way many more could participate in the voting. Often times after the convention, when we have had time to consider the questions involved, we completely change our views, and I think the vote could be more intelligently given in a vote by mail.

The President: You should offer an amendment to the By-Laws providing for what you desire to incorporate in them. It is not too late to offer an amendment.

Mr. Strong: I will offer as an amendment, then, that the Trade Rules Committee, instead of being five members, shall consist of the entire membership of the Arbitration Committees. My other amendment is as to the manner of voting, that it shall be done by mail, with a voting coupon attached to a mimeographed copy of the proposed rule.

Mr. Wayne: To get it before the house, I will second it.

Mr. Goemann: The Committee would be unwieldy.

My suggestion would be that this Committee report to the Chairman of the Rules Committee suggestions they have to offer, and let him bring it before the convention for action.

Mr. Strong: I will accept that suggestion.

Mr. Riemann: I would suggest Mr. Watkins tell us just how he is handling the situation now. The opinion of the Arbitration Committee is asked on all of the suggested changes.

Mr. Strong: I am also concerned in the manner of voting, because often now not more than 50 vote on these things, and their action binds the whole membership. The others have no voice at all, and we should give every one a chance to express his views through his vote.

Mr. Green: Mr. Riemann has covered the point I had in mind. These trade rules are as old as the Association. I have been working with the trade rules and arbitration for 12 years, and there never has been a change made in the trade rules without its being submitted to the Arbitration Committee for suggestion or criticism. The chairman of the Committee takes the suggestions of the members, goes over them and codifies them, and gets them in some shape so that he can present them. I don't think the membership scattered all over, and without the benefit of the others' opinions, should have the right to change these rules. I think it should be done in convention, where these things can be discussed.

Mr. Wilkinson: You would get into a bad situation. The Arbitration Committee can certainly get their ideas before the Trade Rules Committee, and I believe the smaller committee will do the better work. These things can be handled very well at the convention, and I think it would be a mistake to adopt the other plan of voting.

Mr. Green: Any member of the Association who has any suggestion can easily address Mr. Watkins and get it before the Committee. He has done splendid work on this Committee. We have never had anybody who has helped us so much in this trade rule work. His Committee has clarified very many differences between members. It has stopped arbitration in many cases, and the Committee as now constituted and working is doing the work well.

The President: Just what is the proposed amendment now?

Mr. Goemann: The amendment was that the Arbitration Committee through their respective chairmen recommend a suggestion to the Chairman of the Trade Rules Committee, and allow the Trade Rules Committee to bring them before the convention in the usual manner. I understand that amendment has been accepted.

Mr. Eikenberry: I fear we will spoil the logical order of the Constitution. The proposed amendment should come in as an amendment to the duties of the Arbitration Committees.

Mr. O'Bannon: I move in deference to Mr. Watkins and Mr. Eikenberry that the motion be tabled, and that we proceed with the other business. (Seconded by Mr. Culp, and carried).

Mr. Strong: I want to again suggest that I think the manner of voting should be altered, and I would like to have that discussed and voted on, if possible.

Mr. Watkins: The system during the past three years is for the Trade Rules Committee to submit each proposed amendment, no matter what its source, to the Arbitration Committee; that means about 25 gentlemen who are well informed on the trade rules and trade practices for their recommendations and suggestions. Then those were compiled and bulletined back to these same men with added suggestions, and those recommendations which received the support of a majority of those men were presented to the convention for its action. The point Mr. Strong presents is whether these should be adopted in open convention or by mail vote. My personal opinion is that you will get about as much action in one way as another. Only those most interested in trade rules will stay here and discuss them, and only those most interested in them will write about them. Few even on the Arbitration Committees will take the time to answer the letters.

Mr. Eikenberry: A mail vote will result in a very narrow construction of the rules. Every man considers it from his own standpoint and with no other man's interest in view. Those of us who had to do with the revision of the trade rules at Kansas City will always remember it. A discussion ensued half a day in length over the adoption of the present trade rules, and they were rolled into shape, and the interests of the different parts and phases of the trade were taken into consideration. We had to change them because we had viewed them narrowly from our own standpoint. We found they must be broadened to apply to all the trade. That would be lacking in a mail vote.

Mr. Green: I have often come to meetings with a well defined notion, but after exchanging ideas for three or four hours with the other men, have looked at things in an entirely different way. If you write me at home and ask me for a decision, I cannot get the benefit of the other men's minds as I can here.

Mr. Reynolds: I am opposed to any method that will allow any committee or any number of committees to adopt any trade rule or otherwise control the Association outside of this assemblage here where we meet once a year for legislative purposes. That is what we meet here for. We would, by adopting this

proposed plan, be getting that much farther away from constitutional government. I am in favor of having this done in the annual meetings.

Mr. Dorsey: I coincide with Mr. Reynolds' views. I believe it would be better to keep the present plan.

Mr. Strong: I will withdraw my suggestion so that we may proceed.

(Chairman reads Section 4. Mr. Reynolds moves its adoption. Seconded by Mr. Green, and carried).

(Chairman reads Section 5, and moves its adoption. Seconded by Mr. Reynolds, and carried).

(Chairman reads Section 6, and moves its adoption. Seconded by Mr. Culp, and carried).

Mr. Dorsey: I hope you will see that the Committee does what this requires them to do, because we are not getting good service down our way.

The President: I shall try to appoint a good committee.

(Chairman reads Section 7).

Mr. Eikenberry: This Grain Products Committee was called out by the fact that we had one or two joint committees, a grain and feed committee or something like that.

Mr. Green: I move its adoption. (Seconded by Mr. Stone, and carried).

(Chairman reads Section 8. Mr. Reynolds moves its adoption).

Mr. Goemann: I would like to second that, and add this amendment to the end of it "and it shall be their duty to suggest to the Trade Rules Committee such rules and such amendments to existing rules as they may deem necessary." I think that will cover what Mr. Strong has suggested. (Amendment seconded by Mr. Strong, and carried. Section as amended adopted).

(Chairman reads Section 9, and move adoption. Seconded by Mr. Wilkinson, and carried).

(Chairman reads Section 1 of Article III.)

Mr. Cassidy: Suppose I have a brokerage business, and have done a considerable export business, and I contract with the United Grain Growers of the state to handle their product on the basis of a cent and a half a bushel, and I will give a half a cent back to that organization. It is not co-operative; it is purely the Grain Growers. Am I eligible to still stay in this Association and have its protection under those conditions; against my associate members in business with me. We want the co-operatives. They are in the business, and we give them our glad hand, but how about this other plan? This is the situation that is confronting our state. I do not believe you understood the amendment I offered a while ago. It was not directed against co-operative concerns. But this United Grain Growers is against competition. This will put the rest of us out of business. If this organization abets and permits that kind of a proposition, it is of little use to me and a lot of other men.

Mr. Wayne: Have you signed up with the United Grain Growers?

Mr. Cassidy: No, I said suppose I had.

The President: I was cognizant of the situation existing in Oklahoma by reason of the information given me by Mr. Cassidy and representatives of the Grain Dealers Association of Oklahoma, and it was at my suggestion that he offered the amendment to the Constitution which would exclude the possibility of any man who affiliates himself with the Grain Growers being a member of this Association. His amendment was not in any way, shape or form intended to reflect on the activities of any of the co-operative concerns.

Mr. Dorsey: I move a reconsideration of the previous article.

The President: I suggest a little further discussion, and it may be that something can be worked out that will preclude these men from becoming members or remaining members. One of the biggest brokers in the Southwest, a man who has been engaged in the competitive business for many years, has signed up a contract with the Grain Growers after having been buying wheat from the regular dealers in the Southwest. The Oklahoma dealers do not feel he should have the prestige and protection that are given him by his membership in this Association. I think their point is very well taken.

Mr. Dorsey: Nothing short of an amendment can take care of this, because this man is already a member.

Mr. Cassidy: This works a real injury, and one of your directors is vitally interested in this thing, a man who has been coming to your meetings ever since the third one. It is against legitimate business. If that is allowed to go on in Oklahoma, it will go in Texas and Kansas and everywhere else.

Mr. Reynolds: I should regret to see any action taken at this time to circumscribe the activities of this Association along the line of determining who is a good citizen, judging that by any transaction he might enter into, although such transaction might be unbusinesslike. We will draw down on us the shafts of ridicule from business in general, and with the investigations that are now under way into the activities of the grain trade, we would lay ourselves open to very great censure. Congress will misunderstand our action, and as long as we have in the other sections the power to control this through our Membership Committee, I believe it would be better to leave the matter in their hands without action here. I believe it would strike the death knell of this Association to do anything like this, singling out a

business transaction, if it can be called a business transaction. This may be unethical, but it is not dishonest for any man to enter into a bona fide contract to do anything for nothing. That is what this man is doing. I do not want to recognize that kind of business any more than does the gentleman from Oklahoma, but I do want to protect the good name and integrity of this Association in not discriminating against a certain thing that you cannot control. We have today too much of the leaning of Congress toward eliminating all interference with this independent movement toward handling grain. I should like to meet this situation in a way that would be diplomatic and still not make a definite pronouncement against this one member.

Mr. Dorsey: This gentleman is well known all over the country, this man who has made this contract against the competitive system of marketing grain. He is now our enemy, and he isn't entitled to membership in this Association, and you cannot get him out except by amending your Constitution so that he is ineligible. The Membership Committee can control any other fellow coming in, but now this man is controlling the business of the whole state. If you thought this were a proper thing for a member of this Association to do, I might encourage my son to try it in the State of Texas.

Mr. Culp: The fundamental principle for which this organization has always stood has been a competitive system of marketing grain, and if it is any blot on our character to refuse to allow a man to be a member of this organization who knives us every time he gets a chance, it is a strange situation. The world knows what our stand is today. We are not on the fence with regard to it; everyone knows it. We have had a committee that has spent a great deal of money in trying to educate the public as to where this Association stands, and for us to fear public



WM. N. ECKHARDT GREETED HIS FRIENDS

sentiment after we have taken the stand we have I think is absurd. I should be glad to see this proposed amendment made a part of the Constitution, and I should not be ashamed of it when it went into the Constitution, and would not fear any public criticism that might come to this organization because of it. This simply says "Any person, firm or corporation working antagonistic to the competitive system." The co-operative is competitive, but the United Grain Growers is not competitive. It is a monopoly, and I am against it, and I believe every man here is against it.

The Secretary: I do not think if this amendment is passed it will have the effect Mr. Reynolds anticipates. When we voted on this a little while ago, I think we voted under a misapprehension. We thought it applied to the co-operative associations. I think in Kansas Mr. Smiley has about 175 co-operative elevators. In Indiana and other states they have a large number, and I think that was one reason why it was voted down; they thought it would eliminate these country elevators. On close study this amendment does not present the appearance it seemed to on casual acquaintance. I do not think Congress could take from this amendment the construction that would send the information abroad that we were going to eliminate from our membership every little co-operative society.

Mr. Green: Do you believe the suggested change will take care of this gentleman in Oklahoma?

The Secretary: Surely.

Mr. Green: Then I am in favor of it.

Mr. Reynolds: The particular thing that will stand out is that we have taken this position. Mr. Cassidy is impelled to bring this forward because of this particular man down there. Singling out the acts of that particular man, if he is handling it for a cent and a half, then perhaps some one will handle it for two; or suppose some other association comes into existence, and some one handles grain cheaper than the regular trade can handle it. I still think this will bring us more trouble than anything we have

done in this Association and will accomplish nothing.

Mr. Goemann: This gentleman we are speaking of is on the Arbitration Committee. What are you going to do as to his membership and committee work? He is already in.

The President: If he did not send in his resignation I would ask him for it, because I am frank to say to you that I do not think, after having accepted employment or relationship with the United Grain Growers, he should be a member of this Association and participate in its work, or be affiliated with it in any way, shape, fashion or form. I think he has put himself beyond the pale of the consideration of the competitive system or any of its agents.

Mr. Goemann: But this man has become a member and is in good standing. How can you suspend him without some charge you can justify?

The President: If you so amend the Constitution he is no longer eligible for membership, and when he comes to pay his dues the next time, we would so tell him.

Mr. Goemann: Suppose he goes into court with it, and we get just what Mr. Reynolds says we will get.

Mr. Dorsey: This might be sent down to him for his signature, and he could not sign it, and he would just naturally drop out.

Mr. Clark: I think this should be expressed not in the negative but in the affirmative. Put in the preamble that the undersigned, engaged in the buying and selling of grain products on the competitive system. Do not single out these people, but put it in a general way. In Illinois we have many country elevator men who have signed to handle the grain of the United Growers in their territory. They have been scared into it by one or two weak-backed members who were anxious to enter into a contract to handle grain away over in another man's territory. They thought they would be shut out from handling grain in their own territory. I would change this in the preamble.

Mr. Eikenberry: But this gentleman is handling grain also on a competitive system. He would slip in under that.

Mr. Clark: I fear you will furnish them fuel with which to fight you if you single any one out in that manner.

Mr. Riley: I believe Mr. Clark's suggestion is as much as we are justified in conscience or good business judgment in adopting, to declare in the preamble that we are for the handling of grain on the competitive basis. Then we can put in a resolution here that the Board of Directors of the National Association has the right to interpret its rules and apply them accordingly. Then if I come in with a definite complaint, and it is sufficiently aggravated and sufficiently objectionable, and it appeals to the Directors, they can take proper action. I am a good deal like Mr. Reynolds; I think that nothing will give us more trouble than singling out a concern such as this for drastic action. There is a question of policy to be considered. This organization has over 10,000 members, and the other, even if they had all the co-operatives in this country, would have less than four thousand. They won't get half of them. Are we going to point to any other organization and say we are afraid of it, and do something foolish here because another organization has come into existence? We haven't any right to monopolize, and of course will never do so. We are getting frightened when there is nothing to be frightened at except individuals. I realize that individual dealers in individual localities will suffer because of it, but that proposition is not founded on fundamental principles that are necessary to maintain a successful business in this country, and it will fall just as certain as it is continued. Why aren't we big enough to go beyond that, and say we are doing business and will continue to do business, and are glad to do business, without proscribing anybody at all. We can put in the preamble that we are competitive, and that is one of our fundamental principles.

Mr. Reynolds: What kind of defense are you going to have to a suit by this man for reinstatement if you expel him? We have a case now in which we have good ground for expulsion, and yet it is going to the Appellate Court. It will give these people the opportunity they are praying for to show you you cannot make and continue an organization in this country regardless of other people's rights. When you expel these members that you have now, you will find a lot of them that you will have to expel. If it goes into court, it is a United States case and will be in the Federal court. The next step you will have a decision against you in the Supreme Court of the United States, and then you will have an act of Congress abolishing the Grain Dealers National Association.

Mr. Riley: Following that suggestion, the By-Laws might be amended to make them self-perpetuating if you pay your dues. You can expel a man if he otherwise does things not ethical and proper in the grain trade, but until you can prove definitely to the contrary he has a right to perpetuate his membership. Those we have can perpetuate it and not do a particle of business in the regular way if they want to until there is action along this line. The United States Congress within the last 90 days has recognized their right to go into the boards of trade of this country and take their place. I still think this change in the preamble is one way to help this situation.

Mr. Goemann: I do not think the amendment spoken

of, "competitive," covers it. No co-operative organization is competitive with the individual dealer at a station, because he signs up an agreement with those farmers to market their grain. Are you going to separate the co-operative organizations that you demand shall stay in this Association? I do not think you can do it. I do not think your word "competitive" will cover it.

Mr. Dorsey: I want to say to these gentlemen that we are fighting as hard as we can. They are going around to these fellows and asking them to sign up for five years, and all of the dealers are being sent letters and threatened with prosecution if they try to buy grain from a fellow who has signed up. I believe when a fellow fights you, to fight him back. When I was a better boy than I am now I read in the Good Book "Sufficient unto the day is the evil thereof." Let us meet the situations as they come up. I want to be conservative, but I do not think Mr. Cassidy's amendment will hurt us any.

Mr. Cassidy: There is a difference in the interest the members of the Association have in this. I am right down at the mouth of the snake where I am likely to get bitten. The other gentlemen are sitting where they just see the wiggle of his tail, and they are not frightened. If we do not fight the snake, he may get us. Many of you do not originate wheat directly from the farmers, and do not have this trouble to contend with. We do. We are right there where we see the wheat grow, and go into the wagons. I am making this talk in my own interest, and if we do not succeed in this, we will start something else. We hear a great deal of talk in the United States about the law of supply and demand and good honest competition, and this is all this amendment means. There is no menace in it as far as the courts are concerned. This of course is being agitated by the farmers bloc in Congress, and the Government is going into business. Let us kill these snakes at home, and we won't have so many of them about.

Mr. Riley: My notion is that if we make this change, it won't help Mr. Cassidy, and it may put the rest of us out of business.

Mr. Goemann: I realize Mr. Cassidy's situation, but up here we are trying to preserve this organization. Now can we preserve the organization that it has taken years on the part of some of us to build up, and yet contend for this wording here that will compel us to expel the co-operative organizations under the same rule, and then have a big fight that may put us out of business completely. A member we are litigating with now because of his expulsion says this organization is so strong it covers the whole United States, and by reason of being expelled his business is hurt to such an extent that it is a detriment to themselves and the rest of the country. That same argument could be used against us if we expelled this man and the co-operative organizations, and it will take out many men who are members of the state associations.

Mr. Dorsey: If this Association is going to stand back helpless, how long do you think you can hold the affiliated associations?

Mr. Riley: But the affiliated associations take a different view of it.

Mr. Lester Stone: We operate a line of elevators in the Pan Handle of Texas, and we don't fear this organization at all. They have been all over our country trying to organize, and they never have and they never will. We are at the mouth of the snake, but we can take care of ourselves. I feel if we put something in the Constitution along the line mentioned that we will not get the support from the co-operative elevators that we now have, and it may bring on something of the sort mentioned by Mr. Reynolds.

Mr. Wayne: In Illinois we have had considerable trouble. A number of the independent grain men have signed up with the United Grain Growers to handle their grain. The adjacent county to mine is McLean County, and that county has more members of the United Grain Growers than any other county in Illinois. So far as my county is concerned, no one has appeared there yet to solicit membership, and from what I understand the co-operative organizations in Tazewell County are opposed to the United Grain Growers. Hence, I think few will sign up there. I can appreciate how these men feel, that it is liable to put them out of business or at least hurt their business greatly. But they must not overlook the conditions that prevail in Washington. Any one who goes down there to appear before Congress is astounded at the feeling down there, the friendly feeling toward the Grain Growers Corporation. I feel we will make a mistake in passing this amendment. It might be we could incorporate in the preamble what Mr. Clark has suggested, and also go a little farther in the By-Laws and recommend or endorse the co-operative organizations of the country. In that way we would not be antagonizing the co-operative organizations, but we might have something injected there that would assist in using our discretion as to who were eligible as members of this Association.

Mr. Goemann: I would like to read the last "Resolve" of the resolution which has been passed in the Senate, the Kenyon Resolution. Mr. Kenyon submitted the following, Senate Resolution 110, which was referred to the Committee on Agriculture.

Resolved, that the Committee on Agriculture is directed to inquire into this matter fully, to ascertain the various subscribers to the alleged fund, the officers and executive agents appointed to carry out

the program authorized by the convention, and all facts and circumstances relating thereto, and to the efforts of business, commercial or other organizations to defeat the co-operative marketing movement which the farmers of the country have instituted. Also to inquire and ascertain whether the United States Grain Growers (Inc.), and the farmers' program for co-operative marketing are or are not in the public interest.

Mr. Cassidy: This man of whom we speak is just out of the Government war service. He is as keen as a briar, and has his finger close to the government at Washington. I have talked with him about his membership with us in the grain trade by virtue of his connection with the Government during wartime control of the grain trade. Furthermore, that gentleman is what we used to call in Texas 20 years ago, one of the revolving grain dealers. He has no specific place of performance. He may be in Oklahoma or in Texas or in Illinois or in Ohio. He just picks up his office and moves it to wherever the material is to handle. He is nothing but a broker and handles nothing except on paper. He has five or six offices: I thought it might be well for you to know all of those things.

Mr. Eikenberry: He is not handling any wheat for the pool is he?

Mr. Cassidy: I do not know. All I know is about these contracts he has entered into.

Mr. Eikenberry: But not to handle their wheat that is pooled?

Mr. Cassidy: Well, I don't know about that. It is not co-operative; it is the United Grain Growers.

Mr. Eikenberry: But it isn't the wheat that they have in the hands of the pool that he is to handle. He is to handle the wheat of their members who cannot afford to hold the wheat in the pool.

Mr. Dorsey: No; he sells it for them as a broker.

Mr. Cassidy: Read the agreement. There is nothing secret about it.

Mr. Eikenberry: If it does not violate any confidence, I will read this:

"The Board of Directors have carefully considered the situation relative to marketing this year's crop of wheat owned by our members. They have come to these conclusions, that their wheat cannot be legally marketed in any other way than by the pool. That the pooling method is inadvisable at this time for the reason that some members cannot hold their wheat and desire to market it immediately; that it will take time to build a machine to market wheat from the pool, and that we must carefully build this machine so that it will function properly when set in motion. Because it is the desire and the request of some of our members who wish their wheat marketed in a direct manner, the Board have made arrangements with a brokerage company to handle the wheat of our members independent of the state wheat growers association, yet in such a manner that it is believed that you will secure the very best price obtainable."

Mr. Forbell: This is an important question, and it should be further considered before a final solution is attempted. I move to adjourn at the time until after luncheon.

Mr. Clark: Before we adjourn, in Article V, Section 1, you specify 30 directors. In the last lines of that paragraph you say the first and second vice-presidents and the retiring president shall be *ex officio* members of the Board of Directors. You say 30 directors all the way through, but have provided for 33.

Mr. Forbell: But the other three are *ex officio* members.

Mr. Goemann: The 30 are elective. You do not elect an *ex officio* member.

(Motion to adjourn seconded by Mr. Clark, and carried).

Tuesday Afternoon Session

The meeting was called to order at 2:15 p.m. by President Clement.

The President: We are again honored by having present with us this afternoon a man who stands among the foremost in the banking circles of this great country. David R. Forgan, president of the National City Bank, Chicago, will now address us.

ADDRESS BY DAVID R. FORGAN

I WAS having a very comfortable time indeed up at a little place in Canada, when I got a telegram from George E. Marcy telling me I had been put down on your program for an address. A man once went to a little social gathering, and he learned when he got there that every one in the party was supposed, in the way of entertainment, to do what he was asked to do. They asked him to sing. After he got through he went up and apologized to the master of ceremonies for his singing. The master of ceremonies said to him "I don't blame you, Smith, but the man that asked you to sing ought to be knocked in the head." (Laughter). I am in a good deal the same situation this afternoon. I was asked to come by Mr. Marcy, and here I am. I do not know what you will say to him, after I have finished, for asking me to come.

I was given no subject, but I took it for granted that I would be expected to talk upon financial mat-

ters. The world finds itself, after this great war, in an extremely bad economic situation. From that no country is free, whether a participant in that war or not. America is fortunately in much better financial condition and economic condition than any other nation. America, the country with the greatest natural resources, the country that has more gold as a foundation for credit and business than any other half dozen countries you can mention. And yet, with all of these resources and this tremendous reserve of gold, business conditions in this country have perhaps never been worse. How is it possible? Who is to blame? If you pick up a magazine here and there, you will find some professor of political economy who tells you that the bankers are to blame, particularly the Federal Reserve Board in Washington, who did not hold down inflation as they should have done, and who deflated, when they came to it, too quickly, and so on. Well, gentlemen, these professors might just as well write an article on how to carry on a war without gunpowder as on how to carry on a war without inflation. It has never been done and cannot be done. You cannot raise the billions necessary to be spent in a great war without inflation of credit. It is impossible. If you pick up a labor paper, any labor paper almost, you will find that this whole trouble, according to that paper, is a conspiracy on the part of capital, notably on the part of an awful thing called Wall Street, for the destruction of unionism.

Well, if the bankers did it, they are suffering for it, because they now find themselves partners in hundreds and thousands of enterprises they wish they were not partners in. (Laughter.) And if Wall Street did it, they are getting punished, for if anybody is walking the floor these night, gentlemen, it is Wall Street. Wall Street or New York is the place where all our troubles come to a head financially, and they lose millions where the rest of us lose thousands.

The fact is, gentlemen, that no one is to blame. We and the rest of the world are suffering from the aftermath of the greatest war in all history. One of the great troubles with war is that it doesn't stop when it stops. We thought that the war stopped November 11, 1918, Armistice Day. Do you know that the debt of the United States in connection with the war is just about equally divided by Armistice Day; that there was just about the same amount of debt created before Armistice as there has been since. Economically speaking, the war is not over now, and that is one of the great lessons that humanity has to learn of war, that it is not only the human suffering and the loss of human life that we have to deplore, but it is years of industrial sickness and financial sickness following in all of the countries that indulged in the luxury of war.

When we come to the financial situation, however, we have great reason to be proud. The financial situation, to my mind, has been handled admirably all through the war, though not without making mistakes, of course. All human beings make mistakes. But, as a whole, the Federal Reserve system has stood and stood admirably, its first great test, and the Federal Reserve Board has shown great wisdom in the raising of the rates when they did it, and, generally speaking, in the lowering of the rates when they did it.

There are many things that are too complicated for me to go into at this time. The necessities of the Government in financing billions of Liberty loans and bonds had to be considered by the Federal Reserve Board. At a time when the raising of the rate might stop some of the inflation, the Government had to borrow millions, and the Government had to be considered, and you could not have the Government offering bonds at 4¼ per cent if the general rates were eight or ten. All these things go into it. But, as I said before, there isn't any such thing as carrying on a war without inflation. Consequently, we had credit inflation. A very wonderful thing that credit, the most wonderful thing in modern history, how credit can be expanded.

A great many people talk about elastic credit, and they mean nothing but something that can be expanded. But elasticity means something that can contract after the force that has required the expansion has been removed, and it just as necessary to have deflation before we can get back to sound business as it was to have inflation before we could carry on the war.

Credit to my mind is a kind of an element closely akin to water, in which credit instruments may be floated. We used to wonder where all the money came from to take care of the enormous Government loans, five billions at a time, and after they were floated we found that bank deposits were just as high or higher than they were before. That puzzled many people. The answer is very simple. It doesn't require any money to float a five billion Government loan; it only requires credit. If there is room in the great sea of credit, the loan may be floated, and the amount of actual money needed is so small that it isn't worth mentioning. Some old lady takes out \$50 or \$100 from an old teapot or a stocking, and buys a bond, but for one transaction like that there is a million dollars that requires no money whatever, just figures on a ledger.

Did you ever think of bank deposits? You are apt to think of bank deposits as money, money in the bank. They are not. Bank deposits are figures in a

ledger, and nothing more. They are a mere memorandum of how much the bank owes, a mere statement in figures of what the depositors stand to lose if the bank breaks. The money in the bank bears a very small proportion to the deposits. The law requires us to keep 13 per cent, but even that is not in money. The 13 per cent is partly in the Federal Reserve Bank, and the money in the bank bears the relation of about 5 per cent to the deposits. And yet how general it is to think of deposits as money in the bank. That is one of the illustrations of this wonderful thing we call credit.

So the financial part of it was handled well, and it is still strong. Today I was looking over the figures of the Federal Reserve Bank of New York. If you put aside 35 per cent of the gold reserve against the deposits of the Federal Reserve Bank of New York, you have left 134 gold for every note issued by the Federal Reserve Bank of New York. There has been nothing like it in history. And the gold is still coming our way. It has come our way this last eight months to the extent of half a billion dollars. We now have over one-third of all the gold in the world, and we hardly know what to do with it. It isn't doing us any good.

But I think more interesting perhaps in discussing the situation would be to mention two or three things that I think must take place before we can re-establish what our President has called normalcy in business conditions. The first of these, I would say, is that liquidation must be better balanced. Today some things, the things that you represent, have been cut in two in price whereas coal is as high as it was.

I have a magazine here that has a study of that, and it is very striking. I am going to quote two or three of the things here shown in diagram. Carpenters' wages are 200 per cent in 1921 of what they were in 1913. Hogs are 87 per cent in 1921 of what they were in 1913. Conductors' wages are 239 per cent, while corn is just the same price as it was in 1913. Cement workers wages are 200 per cent of what they were; yellow pine is 144 per cent of what it was in 1913. And here is a striking one: coal is 323 per cent of what it was in 1913, whereas coke, made from coal, is back to only 122 per cent of what it was, only 22 per cent higher than it was in 1913. Coke went up in 1920 to 702 per cent of what it was in 1913, but it is down now to 122 per cent.

The point I am making, gentlemen, is this, that we can do business on a high level of prices or we can do business on a low level of prices, but we cannot resume normalcy in business so long as the conditions I have just mentioned obtain. The farmer cannot buy again so long as his profits are cut in two and what he buys remains as high as it was or nearly so. We must have an adjustment of one thing to another.

You may remember the story of the man who made rabbit sausages. He advertised them and they became very popular. A competitor became jealous and informed the health authorities that he believed there was some horse meat in the rabbit sausages. They sent for this man. "Do you make rabbit sausages?" "Yes, sir." "Many of them?" "Yes, I have a good business in them." "Do you make them entirely of rabbit?" "No, we have other things lying around that we have no more use for, and we put them in the sausage." "Do you put horse meat in your sausage?" "Yes, we use a good lot of horse meat." "What proportion of horse meat do you use?" "The proportion is about 50-50, one horse to one rabbit." (Laughter.)

Just so long as we have that kind of 50-50 and that kind of an adjustment, we cannot return to anything like normal business.

How is it going to be done, you ask me. I do not know. If I did I would publish my knowledge, and have some one go about it to get it done, but I do not know. It may come, and I hope it will.

Second, foreign trade must be developed. There is a good deal of feeling in this country—I do not believe it is prevalent among you people, because you know about foreign trade; you know that the corn or wheat that you sell abroad may be a very small proportion of the whole crop, but you know it fixes the price of the whole crop, or at least is a tremendous influence on the price of the whole crop. But it has been a very common thing for people in America to say of foreign trade, very many people, our foreign trade is only a small percentage of our whole trade, so why worry about it?

Foreign countries owe our Government ten billions of money. Foreign citizens owe our citizens four or five billions in addition. That is fifteen billions. That money can never be paid in the history of the world in gold. There isn't gold enough in all the world, if these countries had it, to pay that debt. It can only be paid in goods. If it can only be paid in goods, our foreign business has got to be developed to something much bigger than it ever was before, before we will ever collect that debt. Our lawmakers who are now struggling with the very complicated question of the tariff must take this fact into consideration: an old-fashioned tariff, such as Mr. Fordney is going around advocating today, is to my mind the greatest nonsense that any man could advocate in this country (Applause). We have passed and long passed, the days of infant industries and building a big wall around ourselves. We have got to take our place in the world, and take our leadership in the world, and we cannot do it through high tariff. The

tariff question should be taken out of politics, and not have the senator from one state trade with the senator of another state, "vote for what I want and I will vote for what you want," in the old fashioned way. Those days are past. The tariff should be scientifically studied in all of its relations to foreign trade and to the payment of those debts I have mentioned, before anything is enacted into law.

The fact is that we were the spoiled child of the world for so long—you know a child thinks at first in its life that his father can give him anything he wants. He tells his father to bring him home something at night, and his father brings it; and he grows up with the idea that whatever father wants to do he can do. But when he grows up to manhood he discovers that his father is not omniscient, that he hasn't all the money in the world, that he may be hard up and may be in bankruptcy. That is our history. We have grown up. We were so long the spoiled child of the world, living on our wonderful resources, and telling other people to mind their own business, that we have hardly realized yet that we have grown up. But we are grown up and must take a man's place in the world, and we will never do it—I am a good Republican, and I always have been except once, when I voted for Grover Cleveland, and I am not ashamed of that (Laughter); but we must go away from these old-fashioned ideas that Mr. Fordney is going around preaching today.

Foreign exchange is the greatest obstacle, the demoralized condition of it is the greatest obstacle to foreign trade today. I sometimes get a little discouraged, and I suppose you do, at what goes on



DAVID R. FORGAN

at Washington. Every banker knows that psychologically and every other way the greatest benefit to foreign exchange you could establish would be to fund these debts of the different Allies to our Government, give them 50 years or some such time for paying them, and fix moderate rate of interest, but get it out of the condition it is now in, with simply an I.O.U., not bearing any definite rate of interest or with any definite time of payment. Get it into a funded debt, in bonds of the British Empire or France or anywhere else. Sell those bonds in this country under the guaranty of the United States, and take up an equal amount of Liberty bonds; cut down our interest charge, and try to get the foreigner to pay it. That is common sense. Mr. Mellon knows that is good sense, for he is an able banker; and he proposed several months ago to Congress to give him the right to do that thing, and to make a different bargain with one country than with another. The countries are not in the same condition. I may want to bargain strongly with England in one way, but we may have to be a little easier on Czechoslovakia on the other hand. Give him the opportunity to do this thing. Did they give it to him? They had an investigation and a talking match that lasted for weeks, and senators from all over the country who did not know what they were talking about, talked themselves hoarse on it, and they did nothing, and Mellon threatened to resign, and I don't blame him. The English know how to do that sort of thing. In that circumstance the English Government would treat with the other governments first and tell Parliament afterwards. If it needed to be confirmed by Parliament, it would confirm it, or the Government would step out and another government step in. But, unfortunately, we have no such quick response to public influence, and so we go stumbling along, and time passes, and nothing is done.

The third thing to be straightened out, in my mind,

is taxes, and I am not going to weary you by trying to discuss them. If anybody can say a good word for the excess profits tax, I would like to hear it. It is the most discouraging, demoralizing, damning piece of legislation ever put through. This is one of our puzzles: The Government must have between four and five billion dollars next year. They cannot change the tax law to affect this year, and how they are going to get the four or five billions out of the business we are doing this year I do not know. If I did, it is another thing that I would be glad to tell them, but I do not. If any of you people know, I should be glad to have you tell me.

Taxes are another subject, which, like the tariff, ought to be scientifically studied. If our Republic people only knew a little more about the science of economics, practical economics, not college professor economics but practical economics, we would all get along a great deal better, and the only way to do that is to appoint people who do know of different kinds, different citizens, and let them study and report non-politically. The trouble is we cannot separate politics from any one of these intricate economic or financial questions.

Another very important thing that I do not know how to bring about, but that we have got to have, is a spirit of co-operation between the different classes of our citizens. O, if we only understood a little more that wonderful word "interdependence." At one time in this country's history "independence" was the word in every man's heart. Today it should be "interdependence," the interdependence of the city and the country, the interdependence of capital and labor, the interdependence of all classes. We are all tied up in a knot. No one class can suffer without the suffering of many others. No one class can be prosperous unless others are prosperous. If we could only get a better spirit, a better spirit in labor, and in many cases in capital, a more co-operative spirit, a better understanding of that word "interdependence," and we must have it before we can recover from the condition we are in.

I am always an optimist on the United States of America. We are going to come through this thing. If you ask me when, again I say I do not know. I have thought about these conditions, as every banker has, day and night. I have come to the conclusion that there is no panacea; only time, that cures all things, will cure our present conditions. We can do some things, as I have tried to suggest, to help, and we have to have leadership in Washington, but there isn't anything that will make a sick man well in a day if he is very sick, and there is no panacea for our present condition.

What, then, can we do? The only thing we can do, gentlemen, is for each of us to sit in the boat, each of us to bring all the power of prudence and economy and careful thought to our particular business. If we will give up some of the terrible extravagance that has existed, and it has existed in the people that you do business with as much as in any other class—that is, the farmer. You people know better than I do, but I have a shrewd guess that an awful lot of farmers would be better off today if they were still driving an old pair of horses (applause), instead of having two automobiles and three tractors lying around the farm, not paid for. They have been extravagant, and we have got to get over that and settle down and spend less than we make, and give our closest attention, and every day is one day nearer the goal. And some day we will find ourselves out there again in clear water. In the meantime, let us not be discouraged. We have fought a noble part in the greatest war in the world, and we are not going to be licked by this end of it. We are going to see this thing through.

I often think the business men are the most useful citizens of this country. I often think of the nobility of a business man's life. In days of old they considered that the knights who fought with the sword were the only people who had courage. I tell you, gentlemen, that a business man today needs all the courage and more than any knight of old did. And, besides courage, he needs patience, and, above all, he needs faith, faith in himself, faith in his country, faith in God Almighty. (Applause.)

Mr. Rumsey: What is your idea as to this Disarmament Conference and its effect relatively on business?

Mr. Forgan: I think every good man hates war. This conference we must remember, however, is not a conference for disarmament so much as a conference for the limitation of armaments, and I know nothing that is more absolutely necessary for the good of the world, for the restoration of the world, than an agreement among the leading powers that they will no longer squander hundreds of millions and billions of the peoples' hard-earned money in armaments.

If the conference called by President Harding results in a definite agreement between, say, England, France, America and Japan to stop increasing, even if they do not decrease—to stop increasing their armaments, it will be the greatest blessing to humanity I can conceive of, and the greatest blessing to business. (Applause.)

Mr. McFarlin: I have heard a good deal of criticism, and have felt that way myself more or less, as to whether the Federal Reserve banks were justified in carrying such a great reserve. Is that necessary?

Mr. Forgan: I have heard the same criticism, but

you must remember that the great reserves you see in the Federal Reserve banks are a little bit misleading. For example, I am president of a bank, and we have a reserve of 13 per cent that the law says we must carry, and for the sake of the argument, say that is \$4,000,000. I must have \$4,000,000 to the credit of my bank in the Federal Reserve bank. But what is that four million? Is it gold? No. It is a figure on a ledger, and nothing more. It is credit. Now against that \$4,000,000 that the Reserve bank has to the credit of my bank, it may have 35 per cent gold reserve. That is what the law requires her to have; she may have 50 or more, but call it 35. That is what they are required to hold against their so-called deposits. But 35 per cent of the \$4,000,000 is only a little over \$1,000,000. Therefore the reserve in my bank, with deposits of \$35,000,000, say, is not \$4,000,000 in actual gold, or in actual reserve money; it is only \$1,000,000. Do you follow me? My bank, we will say, has \$35,000,000 of deposits. It must have \$4,000,000, in round figures, in the Federal Reserve bank, but that four millions is a credit on the books of the Federal Reserve bank against which the Federal Reserve bank carries about \$1,000,000. Therefore, the actual reserves anywhere against our \$35,000,000 of deposits are only \$1,000,000. This is the only country where the reserve is counted that way.

Mr. McFarlin: But you said they had in New York in gold somewhere around 170.

Mr. Forgan: I said 134 in New York. I think the total reserve against all liabilities is something over 70 per cent in Chicago and also in New York.

Mr. McFarlin: The law provides for 40 per cent of the total?

Mr. Forgan: Yes, and below that you can go by paying a tax; but it is over 70 per cent.

Now, generally speaking, the Federal Reserve bank had a strange situation to deal with. They had to keep the rate down to finance the United States Government through the war. That led to inflation of credit, undoubted inflation. The circulation was increased by billions. Before the war, through all the Federal Reserve banks, there were twelve, and after about one hundred and four billions. That was inflation spreading out in the realm of credit. In other words, it was an economic debauch. When you go on a great war, economically you go drunk. You get to such a condition—you see the condition in Russia and in Germany today. A mark in Germany is still worth more than in New York. It is worth three-quarters of a cent there, and we think when a German has a mark he only has a cent, but he has considerably more.

If you travel in Germany today, as a friend of mine has, you may pay, as this friend of mine told me he paid, 60 marks for a suite of rooms in a fine hotel in Berlin, that would have cost 10 or 12 marks in the old days. He paid 60 marks for them, and they cost him 60 cents, because he was getting his money in America; but that doesn't mean it is only 60 cents to a German. A mark is worth as much less in purchasing power as the war has made it. Why? Because they have issued on the printing presses billions of marks. Many people think that some day they will repudiate the whole lot of it. You want something worse, and you go to Russia. In some parts of Russia, literally, you will pay tens of thousands of rubles for a meal.

That is credit gone crazy, just gone absolutely insane. That is where this inflation thing that we all have today something of, all that were in the war, goes if it goes far enough. It went far enough in Russia and in Germany to get the conditions we all know about. We did not let it go that far in this country, but it went too far for anything like solid business. That was inflation. The Federal Reserve Board felt it had to give us, as far as it possibly could, deflation. We had to get back off our drunk. We had to get down out of the sky onto the ground again.

The Federal Reserve bank, however, the Board, is given far more power in the popular mind than it really has. You would think to read some articles that if the Federal Reserve Board would change the rate from six to seven a little sooner, or from seven to eight, that many things would happen. I know something about bank rates, and I do not believe they have anything like the influence that is generally attributed to them. I have thought of it in this way: You tell me the bank should loan money 1 per cent cheaper than it does. All right; maybe it should. I might say in passing that the banks would be much better off if there had been no war. By the time they write off their losses this year and last, they would have been better off if they had received 5 per cent and there had been no war. Not many of us will make money out of the war, and perhaps it is well that we should not. Suppose you represent a manufacturing concern and borrow \$1,000,000 the year around from your bank, and suppose the bank charges you 6 per cent. That is \$60,000. Suppose it charges you 7 per cent, that is \$70,000, a difference of \$10,000. If you are running a manufacturing establishment in ordinary times that has a credit of \$1,000,000, you will expect to make at the very lowest in your business \$500,000; \$300,000 at the very lowest. Is that \$10,000 going to stop your doing business, \$10,000 out of \$300,000 or \$400,000 profits? That is the relation of bank rates to business. And to read some of these articles, and to hear some people talk, you would think

the Federal Reserve Board, that company of men sitting in Washington, by reducing the rate a point or putting up a point could perform miracles. They could not. They could influence a little this way or a little that way, but nothing like the miracles that are attributed to them. (Applause.)

Mr. Sager: I move the Association, by a rising vote of thanks, express its appreciation to Mr. Forgan for his very able address. (Seconded by Mr. Wilkinson, and unanimously carried.)

The President: We will now have the report of the Special Executive Committee, Mr. Mansfield, chairman.

REPORT OF THE SPECIAL EXECUTIVE COMMITTEE

THE emergency confronting the grain world by reason of unwarranted criticisms, misstatements and attacks on the present open, competitive system of grain marketing by the misinformed and others, the attempt to place in operation a visionary co-operative grain marketing scheme of nationwide scope, monopolistic in character and binding the grain growers by ironclad five year contracts to market their grain outside the present marketing channels was sufficient reason for the creation of this Committee.

The objective of this work was clearly set forth



R. I. MANSFIELD

in the resolution adopted by the Cincinnati meeting as follows:

Whereas, the grain trade and general business interests are directly menaced by adverse legislation—both state and nation, arising on demand of organized special interests, and

Whereas, we hold all class legislation to be vicious, indefensible and inimical to the general welfare, and

Whereas, we deplore the attempt of special interests by class legislation to break down the present competitive, individualistic business principles and the substitution of bureaucratic control, and

Whereas, this menace of adverse legislation is the result of wide-spread dissemination of misinformation and false economic theories, and

Whereas, it is the duty of every loyal citizen to oppose movements, which are destructive of the best interests of this country;

Therefore, be it Resolved, that the representatives of the organizations here assembled pledge themselves to a campaign for the correction of the erroneous impressions which are widely prevalent and which have resulted from the spread of false doctrines and that we pledge ourselves to organize opposition to all class legislation—both state and national.

The necessity of immediate concerted action to meet this emergency brought about the early activities of this Committee. We conducted no fight, we refused to throw mud or villify and by constructive work aimed to warn the grain producer of the dan-

ger to his interests in abandoning the present tried marketing system for a visionary marketing plan which had never even functioned.

Carefully prepared posters, letters and literature were sent broadcast over the Western States, followed by a widespread advertising in newspapers and magazines carrying the same message to "be careful what you sign."

The effectiveness of this work may be judged when out of a rural population of 13,000,000 engaged in agriculture less than one-tenth of 1 per cent, or under 13,000 farmers, have signed to date although solicited by highly paid and specially trained salesmen and backed by a campaign of propaganda of enormous scope cast over the entire country. The farmers of America are aroused and thinking and this is the greatest accomplishment of this Committee.

Much publicity has been given to a reputed \$250,000 slush fund supposed to have been raised at Cincinnati for the work of the Committee. The best refutation of this canard is the financial statement which I now beg to present to you. It is safe to say that comparing this Committee's work and expenditure as against our opponents' activities, enormous organization, costly offices and widespread propaganda that they have expended \$100 to our \$1.

The emergency situation has been met and that successfully. Our opponents are not functioning and are meeting with but little response in their campaign. There now remains a big permanent work for the grain trade and on its accomplishment rests the future of grain marketing in the United States.

A concerted and sustained campaign of education and acquaintanceship with the producer and consumer must be conducted. Grain men must acquaint the farmer with the manner in which grain is handled, the cost of such handling as compared with all other farm conditions, and the small profit accruing by these transactions. This work can only be done by carefully prepared correspondence, literature, and through speakers who have the confidence of the farmer and can discuss freely his problems with him. Failure to follow this work up will result in a flood of adverse legislation—more visionary marketing schemes and the final outcome likely the concentration of the great bulk of the grain business of the United States in the hands of a few powerful interests. The self-preservation of our present open marketing system rests with the action of the Grain Dealers National Association in session today. Already the opposition are laying their plans for legislative action in the pivotal states of the Middle West.

The emergency distribution of literature was naturally designed first to stop the signing up of the farmer over the entire territory affected. The figures which follow show that your Committee had no sectional nor state lines in this distribution and it was accomplished in the shortest possible time.

Three different posters were sent out as well as the legal analysis entitled—"Sign Here." Personal letters were mailed to all grain dealers and bankers in the states mentioned hereafter. Special letters were sent to a list of 206,000 farmers, the most influential ones in their respective communities, warning them of the danger confronting them and advising that they go slow before signing the contracts about to be offered them. This list is the property of the Grain Dealers National Association and is a most valuable possession.

To offset the propaganda, that the Association was waging a fight, the Committee unanimously adopted a permanent policy that the chairman desires to incorporate into this report and a copy is herewith appended for that purpose, and is now read to this convention.

Educational publicity articles favoring the activities of the Grain Dealers National Association appeared in nearly 700 magazines, farm journals and newspapers. These included publications of national circulation as well as journals in the smaller rural centers.

Publicity articles were circulated and read in every state in the Union. Particular emphasis was placed on the grain growing and agricultural states.

The combined circulation of the magazines, farm journals, and newspapers carrying the publicity articles up to October 1 was 26,335,738 based on actual clippings received. The space value of these articles, if paid for at regular advertising rates, based on a computation of agate lines would be over \$30,-

Distribution of Literature

| STATE | Sign Here | Per Pol'y | In Post | Out Post | Black White | Letters to— Gr. Dis. Bankers | For Funds | Sp'l to Farmers |
|--------------------|-----------|-----------|---------|----------|-------------|---------------------------------|-----------|-----------------|
| Illinois | 67,310 | 55,595 | 20,192 | 13,431 | 13,792 | 2,200 1,500 | 2,000 | 20,800 |
| Iowa | 37,053 | 26,005 | 6,266 | 8,261 | 4,866 | 1,600 1,350 | 1,570 | 19,000 |
| Indiana | 27,839 | 27,801 | 40,850 | 47,000 | 36,200 | 1,200 1,500 | 708 | 13,940 |
| Idaho | 575 | 575 | 230 | 340 | 340 | ..... | ..... | ..... |
| Kansas | 13,879 | 13,719 | 9,100 | 5,900 | 5,000 | 1,600 1,300 | 1,263 | 11,500 |
| Michigan | 10,325 | 10,320 | 4,225 | 4,225 | 4,225 | 700 | 25 | 8,500 |
| Minnesota | 41,624 | 41,429 | 4,468 | 4,568 | 4,568 | 1,500 | 1,591 | 21,500 |
| Missouri | 32,093 | 16,828 | 7,880 | 4,143 | 4,030 | 1,250 1,300 | 1,250 | 14,600 |
| Montana | 850 | 850 | 7,650 | ..... | 850 | ..... | 835 | ..... |
| Nebraska | 43,811 | 29,061 | 13,350 | 10,125 | 4,030 | 1,500 | 715 | 13,500 |
| North Dakota | 14,503 | 14,465 | 20,330 | 51 | 50 | 1,800 1,200 | 1,775 | 11,750 |
| Ohio | 11,330 | 9,780 | 3,950 | 3,950 | 3,950 | 1,300 | 1,000 | 8,000 |
| Oklahoma | 11,510 | 11,510 | 1,350 | 1,350 | 1,350 | 450 | 500 | 9,860 |
| Oregon | 980 | 880 | 110 | 110 | 110 | ..... | ..... | ..... |
| South Dakota | 13,119 | 13,069 | 5,006 | 2,000 | ..... | 900 1,050 | 875 | 16,250 |
| Texas | 18,840 | 18,840 | 506 | 506 | 506 | ..... | ..... | 17,000 |
| Utah | 385 | 325 | 150 | 225 | 150 | ..... | ..... | ..... |
| Wisconsin | 63,000 | 63,000 | 19,675 | 300 | ..... | 900 | 730 | 19,800 |
| Total | 409,028 | 354,052 | 165,888 | 106,485 | 83,167 | 16,250 10,700 | 14,937 | 206,000 |

900. This means that for an expenditure of \$6,000 the Grain Dealers National Association has had a return of over \$30,000 in advertising value.

A speakers bureau was established with great difficulty and has now able speakers at its disposal. This convention has listened to two of them in the Hon. H. F. Atwood and the Hon. J. B. Maling. Our speakers have appeared and spoken in seven states with marked results, wherever heard.

Mr. Mansfield: If I were to stop here, I feel that I would not have done my full duty. The Committee has lived with this situation day after day and night after night. We have discussed it with thousands of grain men, have gone into the grain territory and found out the problems of the various groups in various sections of the country. We had a lot to learn, and we have learned a little. We have learned that no one can take the message to the farmer but a farmer, or someone outside of the grain trade. We have a lot of friends in the country, but they are afraid to stand up and be counted. There is today a wide divergence, by reason of propaganda carefully applied, between the farmer and the grain trade, and our friends are afraid to be outspoken because of the enormous amount of propaganda that is being worked successfully throughout the grain territory, and which prevents them from taking the place they would like to take. At Springfield we were told, "If you fellows don't come down and help us stand up and tell these men the situation, then you have yourselves to blame for what will follow." And I will re-echo that, and say they know what they are talking about. At Ottawa the other night we had a meeting of over a thousand, perhaps 1,500, men who stayed there until midnight listening to the dry discussion of the present marketing system and the proposed marketing system, and they turned in a lot of real questions that we were asked to answer, and we answered them, and the frank, free expressions in those meetings is the hopeful feature for the grain trade today. Without it the organization is going to function regardless of whether we like it or not. They have back of them the Farm Bureau, with an organization in every county in every grain state in the West, and they are determined that this system shall be tried out.

We feel that the hard work has been done. You may think this financial report a bad one. But the Committee went into this thing, and it had to go out and raise the funds itself and carry on the work itself, and we have carried on and fought against tremendous odds, and I am not taking my own estimate of what we accomplished; I am taking the estimate of the men we have been talking against. When they say to us that we have effectually thrown a wrench in the machinery, and for the time being, at least, they cannot function, that is pretty good proof we have accomplished something.

What is going to be the answer? Are you going back to your businesses and say, "This thing is going along," and "blow up," or are you going to meet this situation and forever put an end to the heresies that are being openly spoken of as the true and only gospel? That is the question fairly and squarely before the grain trade, and as I have spent all my life in it, I will say that if you do not act on this matter, within five years the smaller dealer will be a thing of the past, and the larger dealers will be dealing with pools of farmers and large co-operative organizations functioning through them, and the open competitive marketing system that has been the wonder of the world will be a matter of past history, and the grain trade will be a diminishing quantity. That, gentlemen, is one side of the picture. I am an optimist as to the grain trade. I believe the farmer is all right. There are as many Bolsheviks among the farmers as among other classes of citizens, but the great bulk of the farmers of this country have a right to the truth, and we want you gentlemen to give it to them, and if you do not give it to them, you stand convicted, and if you give it to them straight and back it up with a personal acquaintance, you are going to have this grain trade as a heritage to hand down to future generations, and continue to be the admiration of the world. The paths are right here before you. There is no middle ground, and I am satisfied this Committee will unanimously inform you that the sentiment in the country is just as I have stated it. Are you going to accede to the farmers' request, or are you going to do as the grain trade has done in the days gone by, go back into its den and sleep out this period of attack, and then emerge in the spring of the year? That is the question that is vital to the grain trade of the United States.

Mr. McClelland: Mr. President, I desire at this time to offer the following resolution:

"Whereas, the chairman of the Special Executive Committee, in his report to this convention, has clearly pointed out the grave danger to the grain trade, to open competitive marketing, and especially to small independent grain dealers, which threatens because of the spread of false economic doctrines and efforts to establish visionary co-operative marketing schemes that might break down the financial fabric of this country; and

Whereas, already the Special Executive Committee has performed a great service to the grain trade in combating the spread of false economic doctrines and preventing the dissolution and destruction of our business;

Therefore, Be It Resolved: That this convention

continue the said Special Executive Committee in office for one year from date, and hereby empower it to carry on its work of educating farmer and consumer to the dangers that threaten them as well as us; and further

Be It Resolved: That members of the Grain Dealers National Association, here assembled in convention, pledge their hearty support of this work, as an organization and as individuals."

Mr. President, I move the adoption of this resolution. (Seconded by Mr. Pollock, and carried.)

The President: The next will be the report of the Legislative Committee.

REPORT OF THE LEGISLATIVE COMMITTEE

SO MUCH has happened since our convention in Minneapolis one year ago that it would be impossible to cover it all in a report of reasonable length. Your Committee therefore begs to present to you a brief review of the most important happenings affecting the grain industry within the past year.

The craze for radical legislation seems to be slowly subsiding. Whether this is real or only apparent remains to be seen, but the signs are hopeful. The weight of responsibility put on the Congress seems to have had a sobering effect. One of the encouraging features of the legislative situation is found in the effect that added responsibility has on men in public life. The most rabid radical, on assuming the responsibility of public office, seems to soon realize that radical ideas cannot be successfully injected into Governmental affairs.

Congress (and, in fact, the general public), is beginning to see the folly of radical legislation aimed to extend special favor to any class, or to unduly repress



A. E. REYNOLDS WAS A POPULAR DELEGATE

any class. In other words, we hope that less government in business and more business in government may soon be a reality.

The True Relationship

The Government must be supported by the people and not the people by the Government. The evolution in the public mind is not complete as is evidenced by the demand for certain legislation and by many bills introduced during the past few months, but evidence of progress is manifested by the fate that befalls the greater proportion of these bills. The road to the scrapheap of legislative measures was never so crowded with populist, socialistic, fanatical bills as at present. Congress has been kept extremely busy in sorting out the measures worthy of consideration from the great piles of proposed legislative junk. In this process: "Many have been called and few chosen."

For more than 10 years the grain trade has been more or less threatened by adverse legislation. During the past two or three years, there has been a veritable furor of agitation for legislation to control the trade. Under the guise of proposed control, enemies of the trade have sought legislation, which, when thoroughly analyzed, meant absolute ruin to the business.

To effect this avalanche of adverse, wicked legislation, or to steer it into sane, reasonable channels, has been a task of no mean proportion. I think the grain trade has met the situation squarely and to a very large extent has come out victorious. Why should they not? We have never contended for anything but justice. We have never opposed anything but injustice. The results again prove that in the end right will prevail against demagoguery and fanaticism.

The great tide of legislation against the grain business has within the past year reached the proportion of a tidal wave. At the moment, however, its forces have largely been shattered and spent on the solid rock of sanity and reason. During the last session of Congress and during the special session now in progress a flood of bills affecting the grain business has been introduced. Many of them were of a vicious

socialistic character. Most of them seem to be on the way to the graveyard of lost legislative bills. A few have been enacted into law after having had a goodly portion of their venom extracted.

The Capper-Tincher Bill

which has now become a law and will be known as "The Future Trading Act," will probably not become operative until toward the end of the year. It has some objectionable features, but had it passed in its original form, the exchanges would have been put entirely out of business and the entire grain industry plunged into utter chaos and ruin. The exchanges deserve great credit for the valiant fight which they put up against this bill as originally introduced. The softening of the bill to its present form is largely due to their efforts.

This law is the final culmination of more than 15 years of agitation to abolish future trading in grain and other commodities. The demand for the regulation of exchanges became so incessant that some kind of legislation became imperative. We are extremely fortunate that the bill is not more drastic. Most of the bills on this subject proposed at this session and in the past were vicious and destructive in character. Their passage would have been ruinous to our present marketing system.

When we give careful study to the law as now enacted and to all the circumstances leading up to its enactment, we recognize a final Governmental endorsement of the practice of future trading as a hedging operation and as a needed stabilizing influence on the market.

It is not possible here to go into a detailed analysis of the measure. The main feature of the bill provides for placing in the hands of the Secretary of Agriculture a certain degree of control of the exchanges. The objectionable features mostly concern the exchanges and will not materially affect the country shipper. If the apparent spirit with which the exchanges are preparing to enter into co-operation with authorities of the Government in the enforcement of the law, satisfies the public clamor for regulation of the exchanges, we will be amply rewarded for the inconvenience which it imposes on the trade.

Senate Bill 1915

known as the President's Substitute Bill, is a measure to amend the War Finance Corporation Act, approved April 5, 1918, and as indicated by its title is a measure to provide relief for producers of and dealers in agricultural products and for other purposes. This measure has been familiarly known as the President's Substitute Bill because it was advocated by the President to take the place of original Senate Bill 1915, formerly known as the Norris Bill, which provided for the purchase of farm products in the United States and for the sale of same in foreign countries.

As finally passed, the bill amends the War Finance Corporation Act by establishing, under a Board of Directors composed of the Secretary of Agriculture, the Secretary of the Treasury and four other persons to be appointed by the President, a body corporate and politic indeed, and in law under the name, style and title of the War Finance Corporation.

This Corporation shall not, except as provided in the bill, exercise any of the powers conferred by the Act except such as are incidental to the liquidation of its assets, and in winding up its affairs after July 1, 1922.

In order to put clearly before you some of the provisions of the law, we quote therefrom Section 22, which reads as follows:

Sec. 22. Whenever the Board of Directors of the Corporation shall be of the opinion that conditions arising out of the war, or out of the disruption of foreign trade created by the war, have resulted in or may result in an abnormal surplus accumulation of any staple agricultural product of the United States or lack of a market for the sale of same or that the ordinary banking facilities are inadequate to enable producers of or dealers in such products to carry them until they can be exported or sold for export in an orderly manner, the Corporation shall thereupon be empowered to make advances, for periods not exceeding one year from the respective dates of such advances, upon such terms, not inconsistent with this Act, as it may determine;

(a) To any person engaged in the United States in dealing in, or marketing any such products, or to any association composed of persons engaged in producing such products, for the purpose of assisting such person or association to carry such products until they can be exported or sold for export in an orderly manner. Any such advance shall bear interest at a rate not exceeding 1½ per centum in excess of the rate of discount for ninety-day commercial paper prevailing at the Federal Reserve Bank of the district in which the borrower is located at the time when such advance is made;

(b) To any person without the United States purchasing such products, but in no case shall any of the money so advanced be expended without the United States. Every such advance shall be secured by adequate security of such character as shall be prescribed by the Board of Directors of the Corporation. The rate of interest charged on any such advance shall be determined by the Board of Directors. The Corporation shall retain power to recall an advance or require additional security at any time.

(c) To any bank, banker, or trust company in the United States which makes or has made an advance or advances to any such persons as is described in paragraph (a) of this section for the purpose therein set forth or which makes or has made an advance or advances to any producer for the purpose set forth in paragraph (a). The aggregate of advances made to any bank, banker, or trust company shall not exceed the amount remaining unpaid of the advances made by such bank, banker, or trust company for purposes herein described. Such advances shall bear interest at the rates fixed by the Corporation.

Section 25 provides that the aggregate amount that

can be loaned at any one time by provisions of the bill is limited to \$1,000,000,000.

Under Section 23, the bill provides that the Corporation may from time to time extend the payment of advances made through renewals, substitution or new obligations or otherwise, but the payment of any advances made under authority of Sections 21 and 22 shall not extend beyond three years from the date upon which such advances were originally made.

All advances made under Sections 21 and 22 shall be made against promissory notes, or other instruments, in writing, imposing on the borrower a primary and unconditional obligation to repay the advances at maturity with interest as stipulated therein. Each note or obligation shall be secured by adequate guarantees, pledges or otherwise and the Corporation shall retain the power to require additional security at any time.

It will be observed that this corporation has discretionary powers in determining when such loans are necessary; has discretionary powers as to the rate of interest to be charged, excepting, however, that interest on loans made direct to producer or dealer shall not exceed 1½ per cent above the prevailing rate at the Federal Reserve Bank.

Funds can only be loaned to carry products until they can be exported or sold for export in an orderly manner. While this is a direct provision of the bill, it is hardly conceivable that a borrower would be prevented from selling his commodities in the domestic market, if he were able to do so at better prices than in the export market.

A False Hypothesis

It will be readily discerned that the whole bill is based on the false hypothesis that adequate funds are not already available to the farmer and dealer in farm products for carrying on their regular commercial operations. The bill furnishes a concrete example of the character of legislation that may be enacted to meet public demands for a cure for imaginary conditions.

If all the members of Congress had been thoroughly informed as to existing conditions, this bill never would have passed. There has never been a real reason for its passage. The old complaint that the producer and dealer in farm products did not have access to ample funds to carry on their affairs is false and misleading. With security such as provided for in the law, ample funds are now and have been available through the ordinary channels of banking.

The legislative atmosphere in Washington is often so beclouded by persistent and unwarranted lobbying as to prevent the truth filtering through. The tissues of falsehood woven about legislative matters by the professional paid lobbyist often mislead our legislators. They are earnestly seeking the truth as is witnessed by the hearings that they are continually holding on all measures under consideration.

The system of lobbying as now carried on by the professional paid lobbyist should be prohibited. It has become a menace to popular Government. We have few more glaring instances of the unwarranted practices of these lobbyists than is presented by the lobby maintained by the farm interests in Washington during the past year. For the most part this lobby is made up of hirelings whose chief interest is drawing their salary.

If we grant (which we do not), that there was a legitimate demand for a bill to accomplish the objects aimed at in the Substitute Bill, still the measure as passed contains such inherent weakness that it would not accomplish the end in view. As an example among these weaknesses, let us suppose that the whole billion dollars provided by the measure may be loaned by the Corporation at any given period and that the billion dollars are invested in grain or farm products to hold for export at higher prices than prevailing. This vast amount of grain or other products so held would create a dangerous menace to the stability of the markets of the world. In other words, it would be such an increase in the visible supply that it would very materially affect the markets both at home and abroad. This might materially reduce the price at which the farmer in this country would be able to sell his commodities.

The Effect on the Foreign Buyer

The effect of having a billion, or even a quarter of a billion dollars' worth of commodities pooled and held as a threat over the market can only be imagined. It would deter the foreign buyer from purchasing until such time as the stocks being carried would automatically come on the market and depress prices to the level desired by the would-be buyer.

The foreign buyer has open to him the competitive markets of the entire world. What buyer abroad would advance his bids above the competitive market, knowing that a billion dollars' worth of commodities in America were awaiting export whenever markets were satisfactory to the American pool? He would naturally buy from other countries, or, even if buying in this country, would give first preference to the dealers outside the pool of whom he could buy at competitive prices. Or failing in this, would only buy from hand to mouth until the billion dollar supply would be forced on the market by necessity of circumstances, and would then buy at prices dictated by himself.

We must keep in mind that a vast number of dealers, holding millions of dollars' worth of grain outside of this quasi pool, would continue right along supplying the demand, both domestic and foreign, at current

market prices, and thus prevent the necessity of foreign or domestic buyers patronizing the billion-dollar pool.

Let us consider the perishable nature of some of the products which would be held under this kind of an arrangement. Wheat for instance is not very safely carried beyond the two-year period, and the losses by deterioration in carrying it even that length of time are often enormous.

In case of commercial (shelled) corn, it is impracticable for that grain to be carried beyond the germinating period of the crop immediately following its production. In other words, if a billion dollars' worth of corn were to be accumulated in January and February of a given year, it must perforce of its physical character, be marketed before June following. This condition would create the necessity for selling the pooled corn above spoken of.

The buyers from abroad, being aware of the billion dollars' worth of corn purchased in February would not be urgent buyers for the reason that they would know that the corn must come on the market within 60 or 90 days, no matter what the price might be.

All of these facts are so well known to the experienced producer and consumer that the provisions of the bill are really open to ridicule when viewed from the practical standpoint of experience.

Correcting a Non-Existent Evil

The outstanding feature of the whole bill is that it attempts to furnish legislation to correct an evil that does not exist. Untold billions of dollars are accessible to the producer, dealer or anybody else for the same purpose as provided in the bill, and on the same kind or even more lenient terms of interest and security.

The measure presupposes that the Corporation will be able by some legerdemain to create a foreign demand for American products, regardless of existing conditions. Government money can furnish the means to carry grain indefinitely, but it cannot inject into the grain keeping qualities that will preserve it indefinitely. The world can go on short rations long enough to defeat the purpose of our nice little grain pool. The foreigners will buy when they are forced to at the very lowest market they can find any place in the world. They can economize on their wants and curtail the buying to the extent that the billion dollars worth of grain or products provided by the bill to be accumulated would become an unmarketable surplus, that cannot safely and economically be carried until famine or some other unforeseen and unexpected world event creates a demand for it.

The bill cannot possibly accomplish what it is designed to do, but even if it could, it would then create evils vastly worse than the imaginary ones that it undertakes to cure. The measure completely overlooks the interests of at least sixty millions of our people who in event of its successful operation would be forced to pay higher prices for their food. The provisions of the measure will most clearly foster, abet and financially aid in the creation of a trust, which could legally advance the price of food stuffs. It is wholly out of harmony with the previous fight of the Government against trusts.

If the bill has any real virtue, it is to be found in the fact that its operation only extends to July 1, 1922, and it is to be devoutly hoped that by that time the demand for crazy, expedient legislation, smacking of the buncombe character, may have subsided.

HR 2373

known as the Association Bill—now on the conference calendar, only legalizes some of the illegal things heretofore being done with impunity by associations.

I think we all agree that if certain classes of our people are to be suffered to transgress the laws with impunity, then it is better to legalize the illegal acts than to encourage lawlessness by winking at the infraction of law. If this be socialism or class legislation, then we must make the most of it, but just why such class favors should be extended passeth the understanding of the average American citizen.

HR 7735

Introduced by Mr. Christopherson, aims to create an American Stabilizing Commission and to provide for stabilizing the prices of certain farm products.

The general provisions of this bill are that a Commission shall establish on every crop a minimum price at which the said Commission will buy the surplus of said crop and by reason of such a fixed price prevent the market during the year going below a fixed minimum.

This bill is such a radical departure from anything that we have ever known that I hesitate to make very particular comment on it. If enacted into law and successfully administered, it would completely upset the present system of marketing. In fact, all of the measures aiming at a so-called "Stabilization of Values" overlook the age-old fixed law of supply and demand controlling prices.

If this bill becomes a law, it will be such a gigantic experiment that I hesitate to predict what effect it might produce. The objects of the measure are ideal, although extremely visionary. It is based wholly on the idea that the surplus of any crop fixes the price for the whole crop. We cannot agree to this deduction for the very manifest reason that the most of the crop is moved at prices as fixed under the law of supply and demand before the surplus is definitely known.

I am unable to see how its enforcement could retro-

actively affect the price at which the bulk of the crop has already been sold. I am most reliably informed that the bill has not been very favorably considered by the Agricultural Committee.

There are still pending many other measures of more or less importance, most of which will die at the close of the present session.

Transportation Tax in Revenue Measure

The grain trade is still vitally interested in the provisions of the old Revenue Measure, which impose a tax on freight charges on grain for export. Your Committee has given this matter careful attention, and has the promise of several members, both of the House and Senate, that this subject will have ample consideration in framing the new Revenue Measure. It has developed since our last convention that little trouble has been experienced in the collection of tax erroneously paid on these freight bills.

During the turmoil of war and of reconstruction, some of the old measures for which the grain trade has contented have been completely lost sight of. Important among these is the amendment to the Pomereene Bill. This amendment is intended to correct certain evils in transportation.

The grain trade, along with nearly all other commercial organizations, is hopeful that in the not distant future, the Congress may take up the question of the repeal of the often referred to and odious Adamson Law.

We must, however, be patient. The Congress is very much over-worked. Popular Government is a complex organism. Political institutions originally founded to take care of a few simple problems are fast becoming inadequate to meet problems so complex as now prevail. The ordinary legislator has not the time to secure full information on a vast majority of the problems which are presented to him for solution. This lack of information accounts in a large measure for the lack of needed legislation and for the passage of misdirected legislation. Everything seems to conspire to increase the complexity of the legislative situation. It is high time that legislation be enacted from the standpoint of necessity rather than from expediency. The present state of unrest reflects itself more or less on our legislators. We need a hearty dose of quietude and good sense.

The Co-operative Movement

The public mind has run amuck on the co-operative idea. This movement is hailed as a panacea for all commercial ills—the cure-all for every evil that besets the producer and consumer. The original co-operative idea has been so perverted by professional organizers and demagogues that it has no semblance of its original self.

Co-operation in the broad sense of the term is always to be commended. The spirit of the "Long Pull, the Strong Pull and the Now Altogether Pull" for the public weal will always succeed, but that is not the prevailing idea of co-operation. The idea as it now prevails is the narrow, sordid plan of organization to pull for self and for self interests to the exclusion and detriment of all others.

The prevailing idea is that co-operation means the perfection of a plan for buying cheap and selling high and forcing all outsiders to submit without right of complaint. Its advocates are beseeching governmental aid in carrying forward its wicked purposes. This kind of co-operation will fail. It ought to fail. It is a delusion and a snare, a will-o'-the-wisp. Its strong advocates are propagandists, whose chief aim is to sap a living from the trustful, uninformed public. The professional organizer is abroad in the land, and is reaping a harvest while the getting is good. The fact that failure, disaster and ruin are stalking in his wake does not in the least deter him from proceeding in his unwarranted course.

In the grain business, the co-operative movement has been particularly disastrous, but this does not seem to cool the ardor of the organizer and agitator. He hatches up a so-called "good reason" for the failures that are pointed out to him, and shows how easy it is to avoid the pitfalls which have brought ruin to others. His particular job is to convince the people that his plan has within it the sure element of success. When failure comes, this organizer has secured his fees and departed for pastures green and untrod. The chief stock in trade of these organizers is a fund of falsehood and misrepresentation against the regular grain business. The whole scheme is visionary. It is inimical to the basic principle on which all sound business rests.

Co-operation as at present advocated is exactly the antithesis of competition. The entire fabric of American business and commercialism has been built up around the competitive idea. Success of the co-operative idea as now advocated means complete obliteration of competition. The American people must decide as to whether the kind of co-operation as now advocated is to supercede the long-tried and well-tested plan of competition in business.

Any business enterprise, in order to succeed, must have the basic principle of sound business and fair dealing or it will fail. The co-operative idea in its broad and American sense ought to prevail and succeed, but the co-operative idea as now promulgated has not within it the essence of success, and hence will fail. It is a popular craze that can rightfully be classed along with Populism, Free Silver, Greenbackism and other crazes

that have run their course in America. Like them, it will finally pass into oblivion.

It has been my intention to leave this interesting subject to President Clement and R. I. Mansfield, chairman of the Special Executive Committee, who is in charge of the educational work, but an article, under the caption of "A More Modern Method" in a recent issue of *The Round-Up* impels me to touch on the subject lightly.

This article, from the pen of the able writer, J. Ralph Pickell, editor of *The Round-Up*, treats of the subject so opportunely and tersely that I cannot refrain from quoting by consent of the author, as follows:

A More Modern Method

Of handling grain, one which does away with the middleman, and involves all the blessings of modern "co-operation," is illustrated by the actual operation of the U. S. Grain Growers, Inc., through the medium of the Equity of St. Paul.

J. M. Anderson, vice-president of the U. S. Grain Growers, Inc., recently wrote a letter to signed customers of the Grain Growers, which may be deemed a model of modern methods with which this country soon is to be blessed, maybe.

In the introductory paragraph of a business letter one ought always to include excuses of various kinds. Make them read as plausible as possible. This is the way Mr. Anderson did it:

We have today been advised that you are one of the elevators that have signed up with the United States Growers. We presume that grain signed by members of our organization is beginning to arrive. The time has been extremely short in which to prepare for the handling of this grain, due first to delay in starting the organization work and secondly to the early season, which we are having this year. There has been no time in which to get out special books for the keeping of records of the new system of handling the grain. Nor has there been very much time in which to produce adequate finances. However, in the matter of handling the early movement of this grain, we beg leave to instruct you as follows:

In your instructions to principals, in accordance with modern methods, do business without capital if possible. Make your customers wait for their money. Keep out yours. Let them worry when they will get theirs. This is the manner in which Mr. Anderson advises to do it:

For the first week or 10 days, we advise that no advance be made to farmers on the storage tickets issued. In other words, kindly induce the farmers to wait a few days until you can get some grain loaded out and procure money thereon. This method, however, is to be used only in the event that you do not have funds on hand with which to make advances on storage tickets.

This modern plan will, of course, be perfectly acceptable to the farmers. Prices, anyway, are so low for grain just now, they might as well pass it all to Grain Growers, for, believe me, they will need it.

Isn't it beautiful, though, to think that in this modern age of commercialism there arises right in our midst an organization actually doing business on faith? Let the scoffers scoff who insist on scoffing. Utopia has hit the pike.

Old fashioned ways of selling grain,
Where the good hard cash was paid,
Is destined now, I do avow,
To a back seat in the shade.
The modern way now takes its place,
In the bright and shining sun,
So we shall see, O bumble bee,
Just how the stinging's done!

This article needs no comment—a few short paragraphs of jest furnish food for volumes of thought. It is a masterpiece of ridicule.

There are still many unsolved legislative problems. Progress is being made toward their solution. Congress is very much handicapped by the unnecessary demands made upon it by the people. They appeal to Washington for aid in everything they undertake. They seem to have entirely forgotten local self-government. They should return to the good old habit of locally solving their own problems.

The Indianapolis News in an editorial recently said: We cannot return to normalcy by departing farther and farther from it. Whether the people can be educated into abandoning the habit of appealing to Washington and led to take into their own hands the management of their own affairs, as recently advised by the President, whether they can be educated in the direction of self-help, if the Government itself yields to the demands of the propagandist for the centralization of Government, is to be determined. There are many who profess to be greatly alarmed over the spread of socialism and the growing popularity of socialistic doctrines, and yet who espouse any measure which they are led to believe is good, no matter how socialistic it may be. There is always some evil to be remedied, and always there is a demand for "a law" to remedy it. If we are to resist the advance of socialism, we must learn to oppose legislation, no matter how meritorious its purpose, if it is in violation of the spirit of American institutions and the American Government.

Agitation, Not Peace, Has Followed War

The public is beset with agitation well nigh unbearable. After war should come Peace, but with us, it is Agitation. We seem to be over-organized. Too many of the war-time agencies are still functioning. The war produced an oversupply of would-be orators, stage lecturers and directors of public thought. The ideas of these agitators are as widely diversified as the scope of human thought. They vary from the honest patriotic believer in democratic government to the rank socialist; from the vicious, dangerous anarchist to the harmless, braying human jackass.

Chief among these agitators is the so-called "county agent." He is supported by Federal and local taxation. The Federal and state law creating this office provides that the agent shall be a teacher of improved methods of farming. Instead of performing the legal functions for which the position was created, in many cases he has prostituted his position to the extent that he has

become a common demagogue and agitator, and is a dangerous factor in the community. Such should be eliminated.

The result of it all is that this agitation so upsets public stability and quietude that our whole people are in a state of ferment and frenzy. In all relations of business, politics or social affairs we are dealing with people in an abnormal state of mind. Human thought is in a turmoil—human volition unguided and human action uncertain. Business is suffering under the guidance of such a state of public mind.

The people of this country are fundamentally patriotic, but in their present unsettled, nervous state, they are easily misled. Sooner or later they are sure to detect the false and misleading demagogues. Once aroused to the seriousness of the situation, they will be quick to swing back to normal condition.

Some Healthy Signs

There are now manifold signs of a return to patriotic and sane principles. We see it in the earnest effort of the broad-gauge financier to correct financial evils. He is willing to submerge self and self-interest in an effort to better the conditions of the whole people.

We see it in the efforts of our President and legislature to bring relief to all the people.

We see it in the actions of millions of workmen who will not submit to the narrow, selfish, unpatriotic, even disloyal, action by many of its beneficiaries.

On every side we see signs of an earnest desire to return to the fundamental principles of Americanism, to



PROFESSOR G. I. CHRISTIE

government under strictly constitutional principles of sound government.

Class rule has always been a failure in this country. It always will be.

Populism tried it and failed.

Financial interests tried it and came to grief.

I. W. Wism tried it and came to grief.

Organized labor has had its fling and is slowly disintegrating under the eternal grind of right against wrong principles.

The so-called "producing" class will soon learn the lesson that has come home to the rest.

Socialism, Sovietism, Communism, I. W. Wism and all the other yet-to-come damnable "isms" must fall under the steady forward march of Americanism. The eternal fitness of things will finally prevail, and the Government founded by the people and for the people shall not perish from the earth.

Mr. Riley: I move that the report be received and spread upon the minutes. (Seconded by Mr. Green and carried.)

The President: Professor Christie is here, and we will now hear from him.

ADDRESS OF G. I. CHRISTIE

I FEEL this may perhaps be an intrusion on your program. It is not my desire to get on the program, but, because of some questions in which the grain trade is directly interested, I was requested to say a few words. In the beginning, I want to take this opportunity, because I haven't had a chance to do so yet, to thank the Grain Dealers National Association for the help they have given the International Grain and Hay Show. At your last meeting you voted a sum of money to buy a trophy to be offered for the best ear of corn exhibited at the Show, and we deeply appreciate the interest you have shown and the help you have given us. The next show will be held in Chicago, November 26 to December 3. We want your active support in getting out a good large show.

I believe the grain trade realizes better than any

other trade what these shows and what this activity for better grains has meant. I know something of what the grain trade has done. A great company in our own state helped organize the first grain train in Indiana. Through Mr. Riley of the Indiana Association we have had their active co-operation in every movement for soil improvement and better grain and better conditions on the farm, and with Mr. Goodrich and other leaders from our state, our agricultural college has had fine co-operation, and great things have been accomplished. I want you all to continue your co-operation.

The reason for these few minutes' break in your program is this: An announcement has been issued by the Federal Horticultural Board that a hearing would be held at Washington, October 11, to consider a change in quarantine that is now already established against the European corn borer. You know the quarantine exists in certain sections of Massachusetts and New York. Recently the corn borer has been found in northern Ohio. It is now in a small section of Michigan, and it is coming westward and approaching the corn belt. In the study of this European corn borer which was discovered about four years ago in Massachusetts, it has been found to be a very destructive insect, but it has not ruined the corn business of those states. It has been studied and the parts have been carefully quarantined, and work has been carried on. But we find now that this corn borer has been discovered north of Lake Erie in Ontario. It seems they have come from across as far as can be determined from investigation and study. In 1908, when the broom corn in this country was short, a factory at St. Thomas, Ont., imported about \$50,000 worth of broom corn, and it brought over this European corn borer. Since that time the borer has spread and gotten into those fields, and it is impossible to tell you what that corn borer is doing in those fields.

We sent our entomologist to Sandusky, and then he heard about this, and went to Ontario, and came back with the report, and the report was such that I might have felt impelled to say, "Now, it is just another one of those reports of an entomologist or pathologist or bacteriologist who want to tell us something terrible exists, and then he wants to get an appropriation and start out to work." But I said, "If it is as bad as he says it is, I am going to see for myself." So I took Prof. Wyncoop, one of the most conservative men in the business today, and Prof. Davis, the head of our Entomological Department, and we went to Ontario last Saturday, and spent the day in the corn fields around St. Thomas and Ft. Stanley, and I want to tell you that if the European corn borer ever got into the Indiana corn fields, and commenced on them the way it is working in those corn fields, we would have to get rid of corn growing in Indiana. Those corn fields are absolutely ruined. We went into fields where every corn plant was infested with five, 10 to 100 of those borers. The inside parts and tissues have been so destroyed that they started to ferment, and there you have a stinking sour mass. The stalks have broken down, the ear is worthless. These ears that were involved were like India rubber, and when you break off the point, inside the pith, were two, four and six, and eight of those borers.

I do not want you to feel that the corn area of Indiana and Illinois and Iowa should get frightened over this matter. I do not know enough about it. I do not know whether it is going to come into the corn belt or not. There is no reason to stir the people up and get on a great campaign, but I want to tell you that is one bad thing, regardless of the fact that we have gotten some good things, including your secretary, out of Canada, that has come to us from Canada. That is one thing we would be glad for Canada to keep at home, but it seems they cannot keep it at home. It is right along Lake Erie, and it seems that at Ft. Stanley, the current and winds are across the lake. Through the winds and the waters and the currents of Lake Erie, it has carried that moth and that destructive insect over here into a county of northern Ohio, western New York and northern Ohio, around here, to Toledo, the nearest point to Indiana. They are not nearly so bad in these counties, because they have just begun. In Ontario, they are much worse, where they have been a number of years. Whether they will develop on this new soil as in Ontario is a big question, but we must exercise every care to prevent their escape.

What can we do? Over in Ontario they paid little attention to this until last year. Out of this district along Lake Erie is where they get most of the seed corn for the entire province, and so they ship the seed corn in the East. One shipment of corn that went out of this district of St. Thomas is traced down here east of Toronto, and that one shipment of corn carrying these insects in the cob has infected that country and area over east of Toronto, which shows the danger of a shipment of these products in carrying this corn borer.

That is a troublesome, dangerous insect that has come from Europe and of which we know little. We know of no method to combat it, no method of control, but the thing we want to do as grain men, and for farming conditions we do not want to allow that insect to spread, if it is possible to keep it there. It

is proposed by some that we quarantine that area very closely, and it won't be any hardship on that area to quarantine it, because there is no reason why the corn of that area should be shipped in the East out of that district, and there should be no objection to shipping the corn when it is shelled, so the quarantine doesn't mean you could not ship shelled corn, because the chances are one to 100,000 that shelled corn would not carry it. Again, the products of the districts along northern Ohio would naturally go towards the lake. The cities are there, the trade is that way, the water flows that way, everything goes towards the lake, and so there would be no great hardship by throwing a quarantine around that territory and watching it as closely as we can, because we do not want its products to come West.

The proposal of the Federal Department, as I understand it, is that if they move the quarantine from the lines they now have, they will likely establish what they call the regional boundary at the west line of Indiana, but that does not mean Indiana will have strict quarantine put upon it, but that means if they find the insect in Indiana, they can throw a band around that farm and hold it there without calling a meeting in Washington. There are no insects in Indiana so far as we know, none farther west than Toledo, so any quarantine, as I understand it, placed on Indiana, would be simply thrown around these areas infested with this insect. Some of our men say the insect will likely go into Indiana and Illinois, and it may, but we are hoping that the day will be delayed when it will come, because just as other insects have come from Europe, and as our men have gotten to them and studied them, we have found some method of combatting them or controlling them, or have introduced a disease or parasite among



H. I. BALDWIN AND S. S. TANNER

them that has held them down. And if we can have a few years on this insect, we should have help from our scientists and entomologists, so that they can be controlled in the same way.

Some people have spoken in the last few days from the Eastern States and said that they do not believe we can do anything with the quarantine, that we had better lie down, save the money we put into the quarantine, and save it for something else. If we can throw a band around that state and prevent the corn borer from coming West, or into Indiana, it is worth a hundred times what it costs to put that quarantine on and keep that insect where it is. I understand you have a committee that is going to discuss and consider it, and I hope they will take these things into consideration. Do not let us throw down the barriers or give up the fight. We are paying too little attention to this thing. The other night up there in Canada a girl got on the train carrying a bouquet of dahlias. The conductor took those flowers away from that girl. Why? Because that is prohibited by the Canadian Government. Why? Because the Canadian Government says that any plant or anything else that carries this insect must not be moved outside of that district.

If our American Government is going to sit idly by and let men carry corn across to Detroit from Windsor, and bring it from Ft. Stanley across the lake, then we will have a good dose of the borer. We cannot afford to have that. It won't cost much to police in a proper manner that small district and protect ourselves. I am simply presenting this information, and I will say that as one interested in Indiana farmers, and keeping us free from other troubles. I am interested in having that country policed and a band thrown around it to give us as much protection as we can possibly have. If the corn borer comes next year, or the next year after that, into Indiana, then we will hope to have some information with which to combat it, and take care of our troubles. I thank you very much.

Mr. Wayne: Is the borer a worm or a bug?

Dr. Christie: It is a worm about an inch long. The eggs are laid on the under leaves of the corn and

the little larvae crawl over to the stalk of the corn and bore in. It spreads into the stalk and goes down the stalk. He may bore into the base of the shank that holds the ear, bore in there, or come up the shank into the ear. He certainly likes to eat corn from the amount of damage he does. As high as 142 of those worms have been found in a single plant.

Mr. Wayne: In Illinois we have a worm that has bothered us somewhat. It is eating into the ends of the ears.

Dr. Christie: That is what is known as the ear worm. That is a different proposition. That does much damage in some fields, but not in others. That is different. That injures part of the ear.

Mr. Wayne: Is it a true worm or some of the larvae of an insect?

Dr. Christie: It is a larva of a moth. This moth travels great distances. They trace the moth from five miles. It flies, it rises in the wind and is carried long distances, and then it alights, lays its eggs, and the trouble goes on. They found some of those had been washed into the lake and were carried across to the other shore. The larvae will live 40 days in the water.

Mr. Pollock: I am located in Van Wert County about 72 miles from Toledo. We have a sample of corn here of eight ears that we brought with us. I took it out of the field last night, at eleven o'clock, when I found out about the borer, and there is an ear of corn that has the animal in it. Is that a borer or the other insect.

Dr. Christie: This is the ear worm and not the borer.

Mr. Pollock: We are glad of that. If that is the ear worm, we haven't any of these borers in our country. Southwest of Toledo or over in western Ohio, is where this is from, and we have a lot of this kind of corn. These things run from half an inch to an inch and a half long. Our fields have lots of them in them. It is not in the early corn, but in the late corn, the White corn and the Yellow corn, and we are very much alarmed about it. If I can go back and tell them they have not the corn borer, but have the ear worm, and it is not a big damage to our crops, it won't cause us much trouble, that will encourage them. We believe that as soon as this corn is husked and thrown into the crib, this bug will disappear and will not work on the corn after it is in the crib.

Dr. Christie: This ear worm falls to the ground; it does not go to the crib. One man told us this ear worm was so bad that it was destroying the corn in the silo. (Laughter.) A silo is a hot place for an ear worm.

Mr. Bingham: Is the mold caused by this ear worm injurious?

Dr. Christie: This ear worm is responsible no doubt in large measure for the mold and rot that we have in the corn this year, which is rotting from 2 to 50 per cent in some fields. In the poorest land, we have some fields running as high as 50 per cent. This no doubt causes that mold. We cannot get our people to agree to run experiments on this mold to see whether it is injurious to stock. They say the danger from it is so slight that they will pay very little attention to it.

CONSTITUTION AND BY-LAWS AGAIN

The President: We will now resume the work of Mr. Eikenberry's Committee on Constitution and By-Laws.

(Mr. Eikenberry reads Section 1 of Article III.)

(Mr. Green moves its adoption, seconded by Mr. Reynolds and carried.)

(Mr. Eikenberry reads Section 2, and moves its adoption. Seconded by Mr. Pollock, and carried.)

(Mr. Eikenberry reads Section 3, and moves its adoption. Seconded by Mr. Forbell, and carried.)

(Mr. Eikenberry reads Section 4, and moves its adoption. Seconded by Mr. Green and carried.)

(Mr. Eikenberry reads Section 5, and moves its adoption. Seconded by Mr. Green and carried.)

(Mr. Eikenberry reads Section 6, and moves its adoption. Seconded by Mr. O'Bannon, and carried.)

(Mr. Eikenberry reads Section 7, Mr. Green moves its adoption, seconded by Mr. Riley, and carried.)

(Mr. Eikenberry reads Section 1 of Article IV. Mr. Sager moves its adoption. Seconded by Mr. Green, and carried.)

(Mr. Eikenberry reads Section 2, and moves its adoption. Seconded by Mr. Green.)

Mr. Forbell: I move to amend Section 2, after the word "arbitration" by inserting the words "according to the arbitration rules." It is apparent to some of us that sooner or later some change or other in our arbitration rules may have to be made. As it is done now, this is entirely a compulsory arbitration. I have in mind a case that has come up in which two members have a controversy, and they cannot agree upon arbitration. Both are members of organized exchanges. The one member insists that arbitration shall be had before the National Association. The other party to the controversy will not arbitrate before the Association, but both being members of organized exchanges, he has offered to arbitrate before either exchange, giving his opponent the choice of exchanges. His opponent has not seen fit to accept that offer. I think it is unjust under those circumstances that a member should be penal-

ized by expulsion from this Association when he is willing to arbitrate his case before an organized exchange, and has given his opponent the opportunity to arbitrate, before either one of those exchanges, and yet this other party insists that the arbitration shall be before the National Association. It is unjust that this man should be expelled from this Association. The fact that our rules so provide has caused the withdrawal from this Association of several prominent exporting concerns in the East, who will not lay themselves liable to expulsions for refusing to arbitrate upon the will of an opponent. The amendment I have offered will make a rule operative if the arbitration rules are changed.

Mr. Eikenberry: How would you submit a matter to arbitration except by arbitration rules?

Mr. Forbell: As the rules now read, it makes the arbitration compulsory. It gives the man no choice but to arbitrate before this Association.

The Secretary: I know something about this case, and I will give you the facts in it. The case referred to by Mr. Forbell is the case of E. A. Clark & Co., of Portland, Maine, against Mr. Therrien, a member of our organization in New York City. Mr. Clark asked for arbitration. I sent him a contract, which he signed, and then I sent it to Mr. Therrien. Mr. Therrien refused to sign the contract on the ground that the transaction was on Boston Chamber of Commerce terms. I wrote Mr. Therrien that he would not be required to arbitrate before the National Association if he had such a contract, and asked him to send his contract, which he did. Upon



MR. AND MRS. J. W. MCCORD

examination I found it had no relation to Boston or any other terms. I then told him he would be required to arbitrate, under our rules, before the National Association unless the plaintiff was willing to arbitrate in Boston, New York, or wherever he wanted him to arbitrate. I wrote the plaintiff, and he declined to arbitrate in Boston, insisted upon his rights as a member of this Association, and demanded arbitration before the National Association. Ever since compulsory commercial arbitration has been established in this organization, or in any that I know of, the rule has always been that when a member joins an association he obligates himself to arbitrate all of his trade disputes with other members, unless there is in existence a contract to the contrary, a contract calling for arbitration elsewhere. If this transaction had been under Boston Chamber of Commerce terms, the plaintiff would be required to arbitrate in Boston, because under our rules the terms of a market mean not only weights and grades of that market, but all other regulations.

Mr. Forbell: I am not trying to change the arbitration rules now. I am simply trying to arrange it so that in case they are changed, this section may apply.

The Secretary: There isn't any chance to change unless this whole matter of compulsory arbitration is given up.

Mr. Goodrich: There is nothing before the house. The motion was not seconded.

The President: The point is well taken. We will vote on the motion to adopt. (Motion carried.)

(Mr. Eikenberry reads Section 3. Mr. Green moves its adoption. Carried.)

(Mr. Eikenberry reads Section 1 of Article V. Mr. Goodrich moves its adoption, seconded by Mr. Green, and carried.)

(Mr. Eikenberry reads Section 2.)

Mr. Eikenberry: It has been pointed out that this should be amended. This means our authority for

taking care of the expenses of the Legislative Committee and the Committee on Transportation.

Mr. Green: That should go in there.

Mr. Goodrich: I move the adoption of the section as amended to include those committees. (Seconded by Mr. Green and carried.)

(Mr. Eikenberry reads Section 3, and moves its adoption. Seconded by Mr. Reynolds and carried.)

(Mr. Eikenberry reads Section 1 of Article VI. Mr. Green moves its adoption, seconded by Mr. Pollock, and carried.)

Mr. Eikenberry: I think there is one section that should be added, the duties of one of the committees, but I do not know just which one that is now. I believe it was called to our attention.

Mr. Goodrich: I move we adopt these rules as reported by the Committee and as amended by this convention, as a whole, and that we thank the Committee for their untiring efforts in our behalf. (Seconded by Mr. Green and carried.)

Mr. McCord: Do I understand that the dues have been advanced from \$15 to \$20?

Mr. Green: I think they have.

CONSTITUTION AND BY-LAWS OF THE GRAIN DEALERS NATIONAL ASSOCIATION

PREAMBLE

We, the undersigned, being engaged in the buying and selling of grain and grain products and recognizing the necessity of a National Association of Grain Dealers, do hereby associate ourselves in an organization, the object of which shall be the advancement and protection of the common interests of those engaged in the grain business, the formulation of rules for the transaction of business, and the promotion of friendly relations among the grain men of this country; for the furtherance of our purpose we hereby create and establish this constitution.

CONSTITUTION

Article I.—Name

Section 1. The name of this organization shall be The Grain Dealers National Association.

Article II.—Membership

Section 1. The membership shall be divided into four classes as follows:

Direct members, Associate members, Affiliated members and Honorary members.

(a) Direct members shall be those who are members of this Association, independent of their membership in any other organization. Those eligible for direct membership are:

(1) Receivers, Track buyers and Brokers.

(2) Individuals, Firms or Corporations operating grain elevators and engaged in buying and selling grain in unaffiliated territory.

(b) Associate members shall be those engaged in pursuits closely allied to the grain trade, including transportation officials, manufacturers and dealers in grain equipment.

(c) Affiliated members shall be those who are members of affiliated associations.

1. Any State or Local Association composed of twenty-one or more shippers may be admitted to affiliated membership in this Association, by a two-thirds vote of the Board of Directors:

2. Such an association so admitted shall be accorded full executive, judicial, and legislative powers, for the control of itself and of its members within its prescribed territory.

3. Country grain shippers who are members of an association, affiliated with this Association shall be affiliated members of this Association; but Receivers, Track buyers, Brokers, and others who are eligible to direct membership in this Association, shall not, by reason of their membership in an affiliated association, be entitled to rights and privileges of affiliated membership in this Association.

(d) Honorary members shall be all former Presidents and former Secretaries of this Association and such others as may, because of eminent service to the Grain Trade, be recommended by the Board of Directors for such distinction.

Sec. 2. All applicants for membership shall subscribe to this constitution and these By-laws, and a two-thirds vote of the Board of Directors shall be necessary to elect such applicants to membership.

Article III.—Meetings

Section 1. There shall be one general meeting of this Association, in each year, to be known as the annual meeting at which meeting twenty-five delegates shall constitute a quorum.

Sec. 2. Notification of all general meetings shall be sent by mail, fifteen days prior to the date of such meetings, to each member at his postoffice address, as it shall appear in the books of the Association.

Article IV.—Voting Qualifications

Section 1. (Direct Members) Each direct member in good standing shall be entitled to one vote upon all questions presented to the Association for its consideration.

Sec. 2. (Associate Members) Associate members shall not be entitled to the right to vote or hold office but shall exercise all other privileges of direct members.

Sec. 3. (Affiliated Members) Affiliated members shall not be entitled to vote by virtue of their affiliation. Each affiliated Association shall be entitled to one vote for each twenty-one members or fraction thereof, for all of whom affiliated dues must have been paid covering membership current at the time of casting such vote. The vote of such affiliated association shall be cast as a unit by its members present.

Sec. 4. (Honorary Members) Honorary members as such shall not be entitled to vote.

Sec. 5. All voting shall be viva voce, unless ballot be demanded, in which event, two inspectors of ballot shall be appointed by the presiding officer, prior to the casting of the ballots. No proxies will be recognized at any meeting of this Association.

Sec. 6. The rules contained in Robert's Rules of Order shall govern the meetings of this Association in all cases to which they are applicable, and in which they are not inconsistent with the By-Laws.

Article V.—Officers and Elections

Section 1. The officers of this Association shall consist of a President, one first Vice-President, one second Vice-President, a Secretary-Treasurer and thirty Directors. The Directors shall be so nominated as to represent the various sections of the country, bearing in

mind that each affiliated Association composed of twenty-one or more members is entitled to one Director, and that such affiliated Association Directors shall be a part of the total number of thirty. The first and second Vice-Presidents and also the retiring President shall be ex-officio members of the Board of Directors.

Sec. 2. The President, first Vice-President and second Vice-President shall be elected at the annual meeting for the term of one year and fifteen directors shall be elected annually for a term of two years. The Secretary-Treasurer shall be elected by the Board of Directors.

Sec. 3. The President shall appoint at the annual meeting, a Committee of seven to nominate a President, a First Vice-President, a Second Vice-President, the

ration and a Committee on Arbitration Appeals. He shall be empowered to fill vacancies in these various committees as they may occur.

Sec. 2. The duties of the First and Second Vice-Presidents in the order named, shall be to perform the functions of the President in the event of his absence, resignation, disability, or death; in the absence of the Second Vice-President, the Chairman of the Executive Committee shall act.

Sec. 3. (Directors) It shall be the duty of the Directors, immediately after their election, to elect a Secretary-Treasurer and select, from their number a committee of five, who, with the President and the Secretary, shall be known as the Executive Committee, with power to elect its own Chairman.

The affairs of the Association shall be managed by the Directorate unless otherwise herein provided. In case of vacancy, between annual meetings, in the Directorate or among the officers, through death, resignation, or otherwise, the remaining director or directors shall fill such vacancies from the membership, and the persons so chosen shall hold office for the remainder of the term of their predecessors, or until their successors shall be elected. Ten members shall constitute a quorum and a majority vote of the number of Directors present at a meeting or of a vote by mail to the Secretary, shall be valid action of the Board.

The time and the place for holding the annual meeting of this Association shall be fixed by the Directors, and they may adopt such rules and regulations for the conduct of their meetings and management of the affairs of this Association as they may deem proper, when not in conflict with the Constitution or the By-Laws.

The salary of the Secretary-Treasurer shall be fixed by the Board of Directors.

Sec. 4. The duties of the Secretary-Treasurer shall be: To keep accurate minutes of all meetings of the Association; to keep a correct roll of members; to receive applications for membership; to send out all notices to members; to attend to all necessary correspondence, and to be responsible to the Association for all funds, records, and other properties entrusted to him. He shall collect all money due the Association, and disburse it under the direction of the Executive Committee, and shall keep proper vouchers therefor. He shall keep a correct set of books of the Association's business, and shall, at all meetings or at such other times as may be required by the Directors or Executive Committee, make a full statement of the financial condition of the Association, showing receipts and disbursements, and shall submit his accounts and vouchers for audit, and shall perform such other duties as usually pertain to his office.

All complaints and grievances submitted shall receive the prompt attention of the Secretary, and, if necessary, be referred to the Executive Committee for a thorough investigation. An appeal from the action of the Secretary, Executive Committee, or any other officers of this Association, may be made to the Board of Directors.

It shall be the duty of the Secretary-Treasurer to edit and publish the official organ of the Association, which shall be known as "Who Is Who in the Grain Trade."

Sec. 5. It shall be the duty of the Executive Committee to direct the work and business of the Association between meetings, and to advise the Secretary as to the method of carrying out the policy of the Association, as outlined at the regular meetings or by the Board of Directors.

All matters wherein counsel may be desired or probably beneficial, may be referred by the Secretary to this Committee.

The Executive Committee shall provide for an annual audit of the fiscal affairs of this Association by a certified accountant.

The compensation of all employees shall be fixed by a majority vote of the Executive Committee.

Article II.—Duties of Committees

Section 1. The Committee on Transportation shall consist of three members and shall have charge, under the Executive Committee, of all matters pertaining to freight rates, transportation, terminal facilities, and kindred matters. They shall consider all complaints, made by members, against the Transportation Companies, when properly brought before them; and when they deem the complaint a just and sufficient cause for action, they shall, with the consent of the Executive Committee, employ counsel and bring to trial, any case, the decision of which they may deem of interest and value to this Association. They shall, in every way, endeavor to obtain from the Transportation Companies, due consideration for the individual rights of the members of this Association.

Sec. 2. The Committee on Legislation shall consist of five members. This Committee shall at all times keep in close touch with the Secretary on all matters affecting the policies of the Association. It shall be the duty of the Committee to advocate, by all lawful means, the passage of such legislation as may be beneficial to the interests of the members of this Association, and to prevent, by all lawful means, the enactment of legislation prejudicial to the interests of its members.

Sec. 3. The Trade Rules Committee shall consist of five members, two of whom shall be affiliated members. It shall be the duty of this Committee to propose such rules as may be needed by the trade and which, when adopted by the Association in annual meeting, shall govern in settlement unless otherwise specified at the time of trade.

Sec. 4. The Membership Committee shall consist of three members. It shall be the duty of this Committee to pass on all applications for membership, to investigate all objections filed by members as to the desirability of applicants for admission to membership in the Association and to report their findings with recommendations to the Board of Directors.

Sec. 5. The Committee on Uniform Grades shall consist of twelve members, so distributed as to represent the various producing sections.

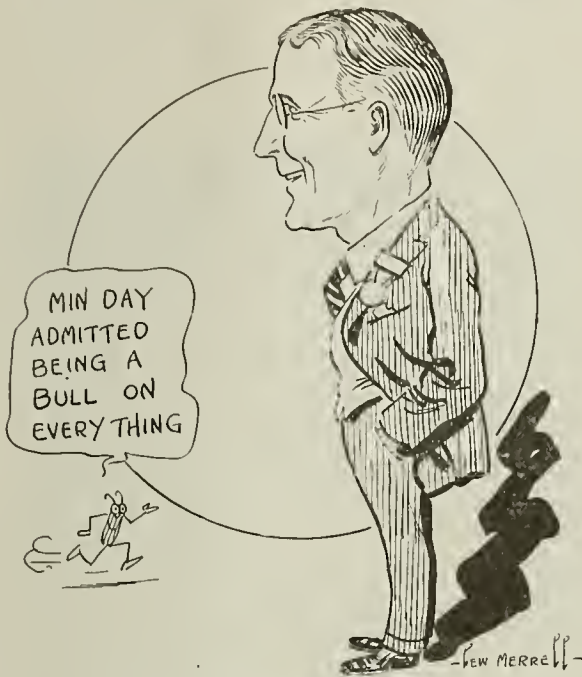
It shall be the duty of this Committee to promote the principle of uniform standards in the grades of grain and to co-operate and advise with the Federal Agency charged with the duty of applying the provisions of the Grain Standards Act.

Sec. 6. The Committee on Telephone and Telegraph Service shall consist of three members, whose duty it shall be to represent the interests of members in securing and maintaining efficient telephone, telegraph and mail service.

Sec. 7. The Committee on Grain Products shall consist of five members. It shall be the duty of this Committee to promote the extension of the rights and privileges of the Association to the members of the Feed Trade and to give consideration to all questions relative to the application of the rules of this Association to transactions in Grain Products.

Sec. 8. The Committees on Arbitration shall each consist of three members.

It shall be the duty of these Committees to consider and determine all cases referred to them, and to render such decisions thereon as may, in their judgment, be



MIN DAY WAS A BUSY MAN

requisite number of Directors, and this Committee shall report in the regular order of business. Additional nominations may be made by any member of the Association after the Nominating Committee has made its report, and before an election has been called.

Article VI.—Amendments

Section 1. This Constitution may be amended by a two-thirds vote of the members present at any annual meeting, or by a two-thirds vote of the members of the Board of Directors, subject to an affirmative vote of two-thirds of the voting power present, at the next annual meeting of the Association.

Sec. 2. Alterations and amendments made by the Board of Directors shall take effect at such time as they may designate, and shall continue in force until approved or rejected by the members at an annual meeting, as hereinbefore provided. Notices of any alterations or amendments made by the Board of Directors shall be mailed to the Secretary of each affiliated Association and to each direct member at least thirty days prior to the date set for the next annual meeting.

BY-LAWS

Article I.—Duties of Officers

Section 1. The President shall preside at all regular and special meetings, either of the Association or of the meetings of the Board of Directors, and shall not be



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privileged to vote at such meetings, except in case of a tie vote. He shall have the right to call a meeting of the Board of Directors at the request of four or more members of the Board and to employ counsel and to perform such other duties as usually pertain to his office. The President shall require of the Secretary-Treasurer a bond in an approved indemnity company in such amount as may be determined by the Executive Committee.

The President shall within thirty days after his election appoint a Committee on Transportation, a Committee on Legislation, a Trade Rules Committee, a Membership Committee, a Committee on Uniform Grades, a Committee on Telephone and Telegraph Service, a Committee on Grain Products, Committees on Arbitration

just and equitable and in accord with the rules adopted by this Association, and it shall be their duty to suggest to the Trade Rules Committee such rules and such amendments to existing rules as they may deem necessary.

Sec. 9. The Committee on Arbitration Appeals shall consist of five selected from the Members of the Board of Directors.

It shall be the duty of this Committee to consider and determine all appeals from decisions of the Arbitration Committees, and their decisions shall be final.

Article III.—Membership and Dues

Section 1. Applications for direct and associate membership, accompanied with a remittance for one year's dues and one year's subscription to "Who Is Who in the Grain Trade," shall be made to the Secretary-Treasurer and submitted by him to the Membership Committee and Board of Directors. Upon receiving a two-thirds vote of the Board of Directors, the applicant shall be admitted to membership and to the subscription list of "Who Is Who in the Grain Trade." If the applicant be not admitted to membership, the whole of his remittance which was tendered in payment of dues and subscription shall be returned to him.

Sec. 2. Applications for membership by state or local Associations, and for subscriptions to "Who Is Who in the Grain Trade" for its members, shall be made to the Secretary of the National Association and submitted to the Board of Directors. Upon receiving a two-thirds vote of the Board of Directors, the said association shall be admitted to membership and the individual members of the said association shall be admitted to the subscription list of "Who Is Who in the Grain Trade."

Sec. 3. Membership in the Association shall continue in force from year to year unless the holder thereof resigns, is suspended or expelled in accordance with the provisions of the Constitution and By-Laws, in which event the subscription to "Who Is Who in the Grain Trade" shall remain in force subject to the requirements of the postal laws.

Sec. 4. The annual payment required of direct members shall be \$20.00, payable in advance on the first day of the month following the date of the receipt of the application and subscription. The remittance shall be divided and applied as follows: Annual Dues \$19.50, One Year's subscription to "Who Is Who in the Grain Trade," 50 cents.

Sec. 5. The annual payment required of associate members shall be \$20.00, payable in advance on the first day of the month following the date of the receipt of

ing and hotel expenses of the members of any special committee it may create, not herein specified.

Article VI.—Amendment

Section 1. These By-Laws may be amended by a majority vote of the members present at any annual meeting, or by a two-thirds vote of the members of the Board of Directors, subject to an affirmative vote of a majority of the voting power present at the next annual meeting of the Association.

The President: We will now hear from Mr. F. E. Watkins, chairman of the Trade Rules Committee.

Mr. Watkins: You have before you for discussion the amendments. Some of you have made other recommendations, but they have been sidetracked because they did not receive the support of the men on the committees. That does not mean they cannot be brought up here at any time you wish. I will first read my report.

REPORT OF THE TRADE RULES COMMITTEE

YOUR Trade Rules Committee desires to report that only matters of routine have occupied its attention during the past year. Inquiries in reference to trade rules and customs have increased in number, partly due to a growing membership, but more especially to the disturbed conditions in the trade during the readjustment period. It is gratifying to note how well our code of trade rules and our system of compulsory arbitration is standing up under the strain of these conditions, the most severe test which has been put upon them since their inception.

However, despite all of the appeals to our members, for years past, to familiarize themselves with the rules, there is still room for improvement in this direction. Votes taken in two mid-winter meetings of state conventions the past year, indicate that only a minority of those present were sure that they had a copy of the rules in their possession and had looked them over within the preceding 12 months.



A BUNCH OF ROOTERS FOR TOLEDO

the application and subscription. The remittance shall be divided and applied as follows: Annual Dues \$19.50, One Year's subscription to "Who Is Who in the Grain Trade," 50 cents.

Sec. 6. The annual payment from affiliated association members shall be \$1.00 per capita per annum and shall be divided and applied as follows: Annual Dues 50 cents, Annual Subscription to "Who Is Who in the Grain Trade," 50 cents. The dues and subscriptions shall be collected semi-annually in advance, January 1 and July 1, by the Secretary of the affiliated association, and shall be forwarded to the Secretary of this Association with the names of those who have paid and the location and the number of stations operated by each.

Sec. 7. Any member who may be delinquent in his dues shall not vote or speak, upon any question, at any meeting of this Association, nor shall he be allowed to resign until after such dues have been paid. The names of Members in arrears for six months shall be stricken from the roll of membership.

Article IV.—Withdrawals and Expulsions

Section 1. Any member in good standing, with dues fully paid up, may resign from this Association at any time by filing his written resignation with the Secretary-Treasurer; provided, however, that no resignation can be accepted while unadjusted trade differences exist, or while arbitration is pending, or while an award of an Arbitration Committee remains unsettled.

Sec. 2. Neglect or refusal to submit the subject matter of a controversy to arbitration, or failure to comply with an award of an Arbitration Committee, shall be deemed uncommercial conduct, and the penalty therefor shall be expulsion.

Sec. 3. Any member of an affiliated Association who shall be expelled from such affiliated Association shall automatically stand expelled from the National Association; and any person, firm or corporation which shall in the past have been expelled from membership in an affiliated Association, shall not be deemed eligible to membership in the National Association unless such disability shall have been removed.

Article V.—Expense of Officers and Committees

Section 1. This Association shall pay the traveling and hotel expenses of the President, Secretary-Treasurer, and Chairman of the Executive Committee, to all meetings of the Association.

Sec. 2. The Association shall pay the traveling and hotel expenses of the members of the Board of Directors and of the Executive Committee, to all special or called meetings of their respective bodies, and shall also pay the daily traveling and hotel expenses of the Committee on Legislation, the Committee on Transportation and the Arbitration Committees, and the Arbitration Appeals Committee, as provided in the Arbitration Rules.

Sec. 3. The National Association shall pay the travel-

We would like to emphasize, by repetition, a paragraph from an editorial appearing in one of our leading trade journals and inspired by a review of the volume of Arbitration decisions, then just printed:

"The majority of grain shippers do not know these guide posts, and yet the validity of every trade may be influenced by its conformity to or divergence from these rules, which are the result of the application of common sense and fundamental law to trade practice over a long period of years.

"A cursory examination of the decisions shows how many pitfalls there are for the uninformed dealer and is a potent argument for a closer study of the rules, which in many cases would save large sums of money. Hundreds of dollars have been at stake in many instances, and often without any necessity. An evening or two spent with the trade rules would be about as good an investment of time as we know of."

AMENDMENTS

You have before you for consideration today certain amendments to our code of rules. These proposed amendments are the residue of various suggestions from many sources which were presented, by this committee, to the members of the Arbitration Committees for their opinions and recommendations. Those suggestions favored by a majority of these committeemen are now submitted as meriting the consideration of this body.

We feel that changes in our rules should be made only after mature deliberation and only in response to a very apparent and more or less universal need. An attempt to cover every little detail of trade practice would be futile and lead to confusion. We should deal with broad underlying principles, in the main, and in our opinion our present code is evidence that this idea has prevailed in past years.

AMENDMENTS TO TRADE RULES

Note:—The words in capitals indicate the changes, the words in parenthesis to come out.

Rule 4. (a) Confirmation: * * * Upon receipt of said confirmation, the parties thereto shall carefully check all specifications named therein and upon finding any differences, shall immediately notify the other party to the contract, by wire OR TELEPHONE AND CONFIRM IN WRITING, except in the case of manifest errors and differences of minor character, in which event, notice by return mail will suffice.

(b) * * * Upon receipt of said confirmations

the parties thereto shall carefully check all specifications named therein, and upon finding any differences, shall immediately notify the other party to the contract, by wire OR TELEPHONE AND CONFIRM IN WRITING. In default of such notice (BY WIRE) the contract shall be filled in accordance with the terms of the confirmation issued by the broker.

Rule 9. Demurrage: The seller shall be liable for any demurrage AND/OR ADDITIONAL charges accruing on grain billed to "shipper's order," when such charges can be shown to have accrued by reason of the inability of the buyer to get possession of the bill of lading whenever said bill of lading is necessary to furnish disposition.

Rule 17. Bills of Lading: Bills of lading attached either to invoices or to drafts shall be original and negotiable, and in conformity with the specifications of the contract on which the shipment is to apply, and shall be signed (IN INK) IN ACCORDANCE WITH RULES OF CARRIERS. Any loss resulting from irregular or incorrect bills of lading shall be paid by the seller.

Rule 6. Billing Instructions: (b) The buyer shall be allowed three calendar days within which to furnish billing instructions on sales for deferred shipment, and must furnish the said billing instructions any time after three days, when requested by the seller. Should the buyer, after the expiration of the allotted three days, fail to furnish shipping instructions on demand, the seller shall have the right to elect either to ship the grain to the post office address of the buyer, OR TO SELL IT FOR THE ACCOUNT OF THE BUYER AND CHARGE THE USUAL COMMISSION FOR SO DOING, or to cancel the contract (OUTRIGHT) AT FAIR MARKET VALUE AND CHARGE THE LOSS, IF ANY, TO THE BUYER; 24 hours' notice having been given by the seller of his intention and election.

Shipping directions furnished by the buyer before the expiration of said 24 hours must be accepted by the seller.

RULE 40. FILING CLAIMS: THE PARTY IN POSSESSION OF NECESSARY PAPERS FOR USE IN FILING A LOSS OR DAMAGE CLAIM AGAINST THE RAILROAD, BEING UNABLE OR REFUSING TO DELIVER PAPERS TO OTHER INTERESTED PARTIES BEFORE TIME FOR FILING CLAIM IS OUTLAWED, SHALL FILE A PRELIMINARY CLAIM FOR ACCOUNT OF WHOM IT MAY CONCERN. FAILURE TO DO THIS WILL THROW THE RESPONSIBILITY FOR ANY LOSS ON THE PARTY THUS HOLDING THE PAPERS.

I will now read the suggested changes. (Reads Rule 4a and moves its adoption.)

Mr. Goodrich: I will second that.

Mr. Stone: What would the construction be when a sale was made by a broker and he mails out the confirmation which is not in accord with your understanding? Is it obligatory to do anything more than notify the broker who made the sale?

Mr. Watkins: The brokerage section is the second section, which we have not yet reached. (Motion carried.)

(Chairman reads (b))

Mr. Watkins: In this "by wire" is stricken out. In answer to Mr. Stone's question, the rule specifies you must take it up with the principal direct. In practice I suppose one takes it up with the broker as well, providing it originates with the broker. I think this rule was originally framed to the effect that to make yourself safe you had better go direct to the principal. There has been cases where the broker, knowing himself to be at fault, did nothing. By going direct to the principal, you put him on notice that there is some question about the trade.

Mr. Stone: We have to send a telegram on practically everything the broker sends out, because he is not explicit.

Mr. Watkins: You would make yourself safe by putting your principal on notice, too, and I think that was the idea of the rule. I move the adoption of this. (Seconded by Mr. Green and carried.)

(Chairman reads 9, and moves its adoption. Seconded by Mr. Green and carried.)

(Chairman reads 17; Mr. Green moves its adoption seconded by Mr. Reynolds and carried.)

(Chairman reads Rule 6. Mr. Green moves its adoption; seconded by Mr. Pollock.)

Mr. Combs: I have a suggestion with reference to the first section of Rule 6 (a), which I will present now or after you have finished, if you like.

Mr. Wilkinson: Suppose I should buy some stuff for shipment at my option within 60 days. Under this rule, would I be required to furnish shipping instructions within three days? I might not know what routing or billing I would want.

Mr. Brandeis: In a case of that sort, that would change the nature of the general contract. This refers, as most contracts do, to the seller's option. (Motion carried.)

(Chairman reads 40.)

Mr. Green: We have had quite a lot of differences along the lines of arbitration that I think this rule fixes up, and I believe it is a good rule, and I move its adoption. (Seconded by Mr. Reynolds and carried.)

Mr. Combs: With reference to Section 1, Rule 6 (a), I would suggest, instead of its present form, it read as follows:

"The buyer is required to furnish full billing instructions by wire on the date of sale when sales are made for three or five day shipment, and within three days when sales are made for 10-day shipment, and the seller shall be allowed three, five or ten days, as the case may be, after receipt of full billing instructions, in which to make shipment."

Mr. Watkins: Ten-day shipments can hardly be construed as deferred shipment as covered by paragraph (b) of the rule.

The President: This amendment you offer would have the effect of extending the contract for the amount of time that was used in filing the instructions.

Mr. Combs: I would not call it an extension. It

would have the effect of giving the seller the full number of days contemplated at the time of trade in which to make his shipment.

Mr. Wayne: I move the adoption of that as a substitute for the paragraph now in force.

Mr. Goodrich: I will second that. I am in favor of this substitution. It clarifies a question that comes up very often.

Mr. Strong: If you give the billing when it is demanded here, in three, five or ten days, and later you find it necessary to make a change in these instructions, then is it a period of three, five or ten days after the change is ordered? Will that be clear to everybody?

Mr. Combs: It would make no change in the feature Mr. Strong speaks about as compared with the rule now in effect, not a particle of change. The seller would not necessarily be required to accept the change. If you have billing instructions a 10-day period shipment, and come in four or five days after with a change in billing, the seller has a right to tell you then and there that he will not accept such a change, unless he has his 10 days, if that is his wish.

Mr. Strong: Will that be clear in this rule?

Mr. Combs: Just as clear as the rule already on the books. The rules as they now stand make no reference to the point brought up.

Mr. Watkins: I think we must re-write this whole rule if we cover all the points. The objection to the time of the starting to run as at the time the billing instructions were received, would not be so important in trading between terminal markets, but with the country shipper you must think of something else. We wouldn't be sure when the contracts would be expiring, because we could not find out just when the shipper got those billing instructions. The most important thing is that you must limit the time to run at the other end, or the man that did not want the stuff would hold back his billing instructions and make an indefinite contract. I would be afraid to fool with this thing until we have seen the whole thing through. This is where we will split with the feed men. They make their shipments run from the receipt of billing instructions, but they have limited it a little as to when it terminates. In other words, they make it necessary that billing instructions shall be in the hands of the shipper 10 days before the expiration of any sale. It will take some time to modify that rule, and I would hesitate to take this up unless we adopt their rule.

Mr. Goodrich: I seconded that because of the experience in our own business. I had not thought of the effect it would have on the country shipper.

Mr. Combs: Would it clarify the rule more and do no harm if I left out what I have put in this section 6 (a) with reference to the 10-day period? Your rule as it now stands does not say when the directions shall be furnished; leave out my reference to 10 days, and make the rule read as follows:

"The buyer is required to furnish full billing instructions by wire on date of sale when sales are made for three, or five day shipments."

Mr. Watkins: That is the intention of the rule, but I see now it is not clear.

Mr. Combs: I suggest that as a clarification because in the arbitration work you run against many of these things.

Mr. Watkins: I believe that amendment would be satisfactory.

Mr. Combs: Then with reference to the three and five day sales, would your judgment say that the seller would have the three or five day-period after receipt of such instructions; for instance, if the buyer failed to furnish them on the date as provided in the rule, but did furnish them the next day?

Mr. Watkins: Then you open the whole thing up.

Mr. Combs: Then I will withdraw the suggestion I have made and make the suggestion that the buyer is required to furnish full billing instructions by wire on date of sale when sales are made for three or five-day shipment.

Mr. Watkins: If you made that "wire on date of sale," wouldn't that cover it?

Mr. Combs: Yes, I believe it would.

Mr. Watkins: I would be willing to accept that I think that will cover it. Follow the word "wire" by "on date of sale."

Mr. Combs: I move Rule 6 as thus amended be adopted. (Seconded by Mr. Goodrich and carried.)

Mr. MacDonald: There is a point I would like to raise in connection with Rule 38. Our Association is national, and I do not believe there should be anything embodied in these rules which would make it impossible for any large or small buying section of the country to trade under these rules. You may feel I am talking for Boston and New England, because I come from Boston, but as a matter of fact, it has been a custom of the trade in the East, east of Buffalo, to bill out a good deal of stuff unsold, and the conditional guarantee holds when it is billed to what we call a blind billing point. I should be glad to hear a discussion of this. I have been unable to get the slightest bit of sympathy for my contention. With all due deference to Mr. Watkins and Mr. Sturtevant, I would like to hear it discussed. I move that Rule 38 be amended to cut out the part of the section beginning with "diversion of the shipment by the buyer to some point beyond the billed destination shall constitute an acceptance of the grain and a waiver of the guaranty"; that

the rule be amended by striking out the balance of the rule beginning with "diversion."

Mr. Green: To get it before the convention, I will second it.

Mr. MacDonald: I would like to read the guarantee which covers such sales with us. When we billed to blind billing points, I know your idea is that we intend to keep the cars there for storage. That is not the case. According to the understanding of the trade, we must order the car out within 24 hours after notice of arrival, so it does not increase the seller's liability in regard to that at all. It is not possible for us to continually order them from one point to another. We have only one re-billing. That is all that is allowed by the railroad. I have no particular axe to grind



B. C. MOORE, KANSAS CITY, MO.

except the desire to protect persons in the East from getting caught in a jam. I always have to bar Section 38 when making contracts. I would like to make it possible for some man in New England who does not know these rules not to be caught by them. Many are mistaken about them. Even Park & Pollard did not know about them until I called their attention to it. I do not think there should be any joker in the trade rules of the National Association to catch some person who is not a Jew lawyer.

Mr. Rankin: With reference to grain sold on blind billing, in the West we perhaps bill it to Cheyenne, Wyo., or Denver, Colo. Now, suppose the buyer of that grain would follow that through to the Pacific Coast, or up into Oregon, and found it arrived heating, they

neapolis, but it was voted down again. I would like to ask Mr. MacDonald if they would agree to omit from that amendment the date following the arrival, not following the date of notice; that is, 24 hours after it arrived at destination. You bill this to Black Rock or some other point, and you give the other man billing there. He may not know that you are going to send that on. Why not make your contract guaranteed to final destination? He knows then that he must carry that clear up to the northernmost point of Maine, if necessary. Otherwise, he might think his liability ceased at that diverting point. You want the man to guarantee the condition until you get it to final destination. Why not so make your contract?

Mr. MacDonald: I realize you should be protected. You might be working a hardship on yourself.

Mr. Watkins: I do not think 24 hours after arrival would be unfair, but the notice might be three or four days delayed.

Mr. MacDonald: The fact that it was not contested at St. Louis is not a valid argument. I am sorry it was not contested. There is nothing to prevent your making contracts anyway you want to, but I do not want a joker that might catch someone. My idea was to move that the rule be amended by striking out the words following "diversion." If that motion were lost, I would then move to amend Rule 38 by inserting the guaranty that I have here, which is the common one with shippers who guarantee their grain.

Mr. Combs: I feel this rule might be amended in a way that would meet Mr. MacDonald's ideas, but if we tried to do it now hurriedly, we might get into trouble. I do not think we could permit the striking out of the clause that Mr. MacDonald suggests without an additional clause for protection.

Mr. Watkins: I think that section might be rewritten so as not to be too hard on the people that use that diversion.

Mr. Goodrich: There is a section here that I am strongly in favor of. Occasionally some fellow in New England turns down a car for us and won't take it at any price. There is a suggestion here that they must take it at the fair market value.

Mr. MacDonald: This clause is rubber stamped on every contract.

Mr. Watkins: Suppose we lay this matter over for discussion at some later date. New England is not using our rules much any way, and they will probably get along very well for another year.

Mr. MacDonald: I would rather have it voted down, because I have relieved my conscience of it anyway. (Motion of Mr. MacDonald lost.)

Mr. Combs: I move the matter be deferred at this time and that at our next convention a committee take this rule in charge for reframing.

Mr. Goodrich: I will second that.

The President: Why not make a motion to appoint a committee now and report it in the morning? If they can frame such a rule now, it would be better than doing it a year hence.

Mr. MacDonald: Immediately upon reading the re-



CHARTER MEMBERS WHO ATTENDED THE MEETING

At Top: A. E. Hartley, L. G. Blankenbaker. Bottom: Hon. Warren T. McCray, M. McFarlin, E. A. Grubbs

take a chance in sending the grain to Los Angeles and going through a hot country that we would not do ourselves. This change would give them privileges of forwarding grain to those places and taking a chance that we would not be inclined to take.

The President: I believe there is merit in that suggestion.

Mr. Watkins: This did not come up as a blow at the East. It came through the Arbitration Committees, where interior shippers had taken a car down to some point and then decided they would move it to some other point, and would let the car lie around seven or eight days, and then throw it back on the shipper's hands. There were a number of cases of that kind. The fact that it would hit New England and some other sections did not occur to us. No objection was made by the representative from New England before it was put through, but at the last convention the matter came up and received some consideration at Min-

neapolis, but it was voted down again. I recognized this thing and took it up with the committee by mail, and that was two years ago.

Mr. Combs: I will amend my motion, that it be referred back to our Rules Committee for consideration, and that a report be made tomorrow, and I will add Mr. MacDonald's work with the committee in connection with it. (Seconded by Mr. Green and carried.)

The President: I will ask the Trade Rules Committee, the Appeals Committee and Mr. MacDonald to work upon this proposed amendment.

Mr. Watkins: One amendment was handed to me that comes from the Appeals Committee. It is to add to the second paragraph of Rule No. 7 the following: "But in no event shall the liability of the seller continue beyond the period of 15 days from the expiration date of the contract."

Mr. Green: I should very seriously object to any change in Rule 7.

Mr. Watkins: I will withdraw that at this time.

The President: We will now stand adjourned until tomorrow morning.

The Banquet Session

The Banquet Session of the convention was held at the Drake Hotel on Tuesday evening. Joseph P. Griffin presided as toastmaster.

The Toastmaster: I just want to say again, ladies and gentlemen, that it is a great honor to have your organization with us, and it has also been a keen pleasure to us. We are glad tonight to have the ladies here. They add a charm which is not found without them. We are glad to have your organization meet in Chicago because we feel you represent efficiency in business. With other criticisms that are rife at this time, there has been some criticism aimed at the existing system of marketing. After many months of searching I am free to tell you that your present marketing machinery has been found to possess no vital defects. The legislation that has been enacted in connection with it has been only regulatory. The present methods of doing business were not altered.

Your Program Committee has been wise in its selections as they have not been political. One of these gentlemen on your program has ever adhered to the Republican faith, while the other has espoused the Democratic faith. The first speaker is a man dear to the hearts of this great city and state. He was our war governor. During that trying period, perhaps more than any other executive in any state, he seconded the efforts of our Government during the war. You have heard much in recent times about there being too much politics in business and too little business in politics. To this first speaker is justly entitled the credit of injecting business into politics. He is the father of the budget system. He took this great state, found it in a disorganized condition in a business sense, and organized it into an organization of the highest efficiency. I am privileged to present to you our former governor, Frank O. Lowden, of Illinois.

SPEECH OF HON. FRANK O. LOWDEN

IT IS a great pleasure indeed to be here with you tonight. I confess that I left my farm about noon with a great deal of reluctance. The forests are just beginning to assume their most brilliant hues, the air has a tang which surpasses anything with which we are familiar since the adoption of the Eighteenth Amendment, at least (laughter), and the country is in its most bewitching garb. But, as we farmers are more or less dependent on the grain dealers of the country, I looked upon this invitation as a command.

I am delighted, too, to have for my fellow speaker an old friend and colleague of mine in Congress, Mr. Lever. We served together there for a number of years, and while we were on different sides that does not make much difference after all when election is over. (Applause.)

It gives me pleasure to be with you tonight and join with you upon this occasion. I am going to discuss in a very prosaic way some of the business

conditions which exist today, and I hope I shall be able to at least point out some difficulties that stand in the way of complete readjustment, of complete return to normal conditions. We are just learning what we never fully realized before, that all the industries are so related to one another that a proper relation must exist between one and all the others before any of them can prosper in the highest degree.

Prices and Industrial Service

I was much interested a short time ago in taking up the report of the Academy of Political Science to find that the economists of the nation are viewing



JOE GRIFFIN BOSSED THE BANQUET

with surprise things that we have all become familiar with. These eminent gentlemen are beginning to recognize that there is a normal and logical relation between the prices of all products and the service rendered in all industries, which cannot be disturbed without disturbing the whole.

I am going to read you a few words from this eminent gentleman. One of them said in that conference that "Fields, mines, factories and railroads, working together under a co-ordinated plan, make up the industrial system. Their total product is largely determined by the effectiveness with which they agree with one another." And another one said, "All variations in the business cycle lie perhaps as much as anything in a dislocation between the bases of the different layers in industry." And still a third, "Now, if we wish to get rid of these periods"—namely, of undue inflation, followed by deflation—"or cycles of industrial disturbance, we ought to know that the several industries are marching in step."

This is a profound principle under our industrial system which has not received sufficient acknowledgment, as I believe. I would like tonight to indulge in roseate pictures of tomorrow. There are

a number of writers, who find it necessary every week, to tell the people that the worst is behind us, and that nothing but abundance and prosperity lie before us. I saw one of these writers the other day, and I said, "Why do you keep on saying such things?" "Because they say we must restore confidence." I said, "Do you expect to restore confidence in the American people by lying to them about the conditions?" And so tonight, though it is perhaps not a pleasing picture, I am going to paint it just as I see it. And one of the things I shall attempt to set out tonight clearly is that, notwithstanding little evidences here and there of improved conditions, we cannot hope for a return of normal conditions until this equilibrium of which the economist spoke is restored as between the prices of different commodities and different services.

Farm Price Levels

Take the farmer, for instance. A great many of people in the cities imagine that the farmers are all wealthy because of the years of plenty during the war. The fact is that the prices of farm products have fallen to near the pre-war level, and have been there for a year or more. In fact, this evening, one of the officials of the Board of Trade told me that today corn and oats upon the market are selling for about 75 per cent of the average, from the period of 1910 to 1914. But take the products of the farm as a whole, they are about on the pre-war level of 1913, the year before the war. At the same time, transportation charges have doubled, and remain at double the figures they were before the war. And these prices that I have been giving you are prices at what I believe you call the primary market, and so the farmers in the interior do not even get the pre-war level for the products they raise. If that be true, and it also be true, as it is, that in all other lines of endeavor, while prices have declined very considerably, they still are upon a basis of from 40 to 175 per cent, in some cases, above that same pre-war level, you can readily see the situation before us. In other words, while what the farmer has to sell has reached the prices which obtained before the war, everything that he buys is upon a very much higher level.

Now, let it be remembered that the inexorable laws of supply and demand, extending over a series of years, have fixed, as all economists agree, the relative prices for commodities in different industries. That is to say, if during a period of 10 years one industry is receiving much larger compensation than another, capital disappears in the industry where there is the least prosperity and enters the other. And, quoting from these eminent economists, when you disturb that natural relation between the prices of different commodities, you have so broken down the equilibrium that you cannot have normal conditions, and you have inevitably a period of depression.

I would like to believe all the eminent writers tell us. I hope they are right and that I am wrong, but if the laws which underlie all business are sound, we cannot have that thing which we all so much desire, a return of normal conditions, until we have re-established that relation between the price of farm products and the price of other commodities and other services.

You ask me what my remedy is. My answer is



THE BANQUET AT DRAKE HOTEL ON EVENING OF OCTOBER 4

that when we once recognize this fact, and face the situation, when we admit the application of these universal laws, then all of us must work in co-operation, and we will begin to readjust these relations, we will begin to restore this equilibrium, and then we will be moving again forward. But first we must admit the fact. In any conference on unemployment that may be held anywhere, at any meeting of any chamber of commerce or any other city organization, called to inquire into present conditions, and to find remedies, let them first admit that this is the underlying cause, this lack of proper and logical and normal relation between the prices in farm products and the prices of other commodities, and the readjustment will begin to go forward.

Agriculture is still our great basic industry. More than one-third of our population are engaging in it, and considerably more than one-half of our purchasing power abides in the farmer. I was told tonight by the president of your Board of Trade that he understood it was as high as 60 or 65 per cent. With that 60 or 65 per cent of purchasing power atrophied throughout this land, you cannot hope for a general return of prosperous times.

It is not simply the farmers who are affected. I do not want to be understood to be here making a plea for the farmers, but every industry, manufacturing, commercial, mining or what not, is equally interested in the restoration of this normal ratio between the prices of farm products and other prices, because unless the farmer prospers, they do not prosper. Our prosperity is so interwoven and bound together, that notwithstanding the appeal made to the classes more and more these days, it remains forever true that no great class in our community can prosper without others sharing in it, and no class can suffer without all suffering with them. (Applause.)

You cannot go on with certain millions of our people in certain favored occupations earning a dollar and a dollar and a quarter an hour, and certain other millions engaged in longer hours and as arduous toil, receiving, instead of one dollar and twenty-five cents an hour for their services, from fifteen to twenty-five cents, which happens to be the compensation of the exceedingly fortunate farmer in the Great Middle West today. (Applause.)

Meeting New Responsibilities

And then there is another thing I want to touch upon just for a moment, because I must not weary you. In view of the fact that you have before you a most eloquent gentleman who is thoroughly conversant with his topic, I must not keep you too long. But there is one thing I want to touch on. We have not met the new responsibilities and the new problems that have come to us since the war with any great amount of genius. You remember that when the Armistice was signed, we were all congratulating ourselves because, for the first time in our history, we were the creditor nation of the world. It was not long until we found that while we were the creditor nation of the world, we did not know what to do with it. Our orators then began to tell us that our troubles were that Europe owed us \$20,000,000,000, and Europe would not pay us, and that that was our trouble.

In other words, we had been used so long to be the debtor nation of the world, that when we got into this other situation we were lost, and we began to flounder and we have been floundering almost ever since. These same gentlemen told us that the reason we were in this situation, despite the fact that we were the creditor nation of the world, was that Europe could only pay us in gold or goods. That she did not have the gold, and if she paid us in goods, it would close down our own production, and therefore we had better keep silent about it and forget we were the creditor nation of the world, and hope that at some time we might extract ourselves from our difficulties.

They neglected to tell us that there was a third way, the way that every creditor nation of the world has followed in all history so far as history has been recorded, and that third way was to settle the balances in our favor, not by receipt of goods, not by the receipt of gold, but by capital investment.

What Our Country Should Have Done

That is what England has done for more than a hundred years. If she had all the gold, and the countries of the world were clamoring for it, she took part of that gold and invested it in other lands, and laid the foundation for her permanent success and prosperity. That is what we should have done. That is what I notice, with a great deal of satisfaction, some of the great industries of the country are beginning to do today, and that is the one solution of which I know. Of course that was not a popular thing to say to us, because that meant again a recourse to the old fashioned virtue of thrift and industry. In order to do that, we must save something out of our earnings and not expend it all. For 100 years, as I remember it, England's imports exceeded her exports, and yet she was continuously growing richer all the while. We became the creditor nation almost three years ago, and we haven't yet learned what to do with that position, for which

all the world is envying us, and which we supposed was to be the thing greatly to be desired among men.

Let me give you an illustration of what I mean. This is one I used before when I was in the South with my southern friends. My brother Lever will understand this illustration. I am farming also in the South. I raise cotton down there. I have been saying to all of my cotton friends down there for a long time, "Why don't you devise some means"—the Government should assist in some way—the Government should doubtless assist in these international matters, and perhaps must supply the machinery for it—"why isn't some way found by which this surplus cotton, which is troubling the market so much here, can be removed to the other side? It is true they have no gold in Germany, they have no gold in Czechoslovakia or in Poland, and they are consuming countries of our products. It is true they have no goods, but they are clamoring for this cotton. They have thousands of idle spindles; they have an abundance of idle labor, and you all admit that if by some miracle half of the cotton of the South would be destroyed over night, the other half would be worth more on the morrow than it all is today." If that be true, and I have no doubt it is, just as the South today is getting a new hope for the morrow. Because of what? Because of the partial failure of her cotton crop.

Something is wrong with the whole system of distribution and marketing when the prosperity of the farmer comes with a partial failure of crops. The South is renewing its hope now because of this partial failure, but the half that remained would have been worth more than all during all of those months. Haven't we the genius in America somehow to find



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some means by which we take that half and move it to these idle spindles, even if we have to pay for an interest in those factories? That is what England would have done at any time during the 100 years.

It is true that we might partially imperil our investment, but if all of Europe goes bankrupt, we will too, and we might as well face that fact. If we had done that, we would have laid the basis for continuing dividends throughout all the years by the disposition of that which was of no use to us, which was a positive detriment, because the surplus was so large it was depressed in price below the cost of production.

Our New Position in World Affairs

And so with the other great surpluses of raw materials that we have in this country. Again I say we must adjust ourselves to our new position in world affairs.

Sometimes I read the statements made by very eminent men here in America, that our domestic commerce is so large and so much more important than our foreign commerce, that we should not pay any attention to our foreign commerce. It is true that the domestic commerce largely surpasses our foreign commerce, but we must readjust our whole industrial system in order to provide in some way for our surplus materials, such as cotton, copper and other things I might mention.

I fear in the reaction against any participation in world affairs, we are going to the other extreme, and assuming an independence of all the rest of the world which cannot exist in fact, because commercially we are related to all the world, and we always will be, and we must consider and solve our problems in the light of that fact. We have been a wonderful people in production. No nation has surpassed us in the way we have managed our great industries so far as production is concerned. But I sometimes wonder if in these other equally as important matters, distribution and marketing, we have

made the same progress as in production. It is high time we took up this subject and gave it more consideration than we have in the past.

The Wheat Price Question

Take your own business. I know I am on dangerous ground now, and far be it from me to suggest that any better plan of marketing could be found than in America, but it is true that eminent authorities in international trade say that the English Government is permitted to fix the price of wheat in the Liverpool market, thereby affecting the price of wheat in all the other markets of the world. Let it be remembered that the law of supply and demand always rules in the end, but there must be free competition among the buyers as well as among the sellers, and if the great government can suspend or destroy that free competition, the law of supply and demand does not fully operate.

If these gentlemen are right, that is a problem for this great Association to take up, because we ought to have upon this subject just as much voice, if the law of supply and demand is tampered with, we who sell the wheat, as those on the other side who buy. If they are wrong, the farmers should be acquainted with the fact and reassured that no foreign government is permitted to fix the price of their product. The wisest among the farmers know that the law of supply and demand must rule, but they say that if the English Government is permitted to fix the price of wheat, maybe it will require all the power of the United States to counteract that. I am just telling you some of the problems we must consider and consider together.

There is another thing. Whatever the problem, whatever the right and wrong of it, that problem is going to be settled, not by the whim of any one, but it is going to be settled by the merits of the controversy. If the last years have shown us one fact, it is that. Force can never be made to rule this world, and that idea should be put to sleep forever; a newer manifestation of this same idea, namely, that the majority, just or unjust, may rule, is also approaching, as I believe, its demise. Whatever settlement may be made of the problems that affect modern society today, it must be made by some principle of justice and right sentiment in the breasts of all of us.

Forgetting the Lessons of the War

I am afraid that sometimes we are all forgetting the lessons of the war. Do you recall how, during the darkest days of that gigantic conflict, when we were depressed and saddened, when with trembling hands we took up the papers day after day and examined the casualty lists; how we prayed to God that there might be some compensation to suffering humanity for all the sacrifices that the war had brought? Then there were times when we thought we had found it. We recalled that things were not going very well before the war.

We remembered the classes were rising, remembered that discipline had been breaking down for years, discipline in the home and school, and even in the church, and people were becoming very materialistic and very selfish, and they were thinking about themselves and they forgot the old definition of our neighbor that the Master gave us. We recalled these things that were true before the war, and when we saw that sublime unity of purpose and action on the part of more than one hundred millions of people, we said, "Maybe this is the compensation which the Almighty grants us for the terrible sacrifice of the war."

Don't you remember how exalted we felt, even in the darkest days, because of this spiritual elevation of our people, with 100,000,000 men and women and children with all their old little jealousies fallen away, with the mean, little and insignificant things forgotten, how they were all of one mind and one heart, and sought the one thing, the preservation of our flag in all its glory? And we said, "Maybe we needed this lesson. Maybe it was necessary for the American people to go through this fiery furnace in order that they might retain some of the old ideals they had learned at their mother's knee." And then, when the war was over, those little mean things emerged again, and the spirit of materialism which, if war teaches anything, is the first step toward actual decay, appeared. Materialism began again to uphold its ugly head, and the old differences between classes began to appear again.

I want to say to you in all soberness that black as were those days and nights when we wondered day by day, not daring to take up our papers for fear of the lives of those dear to us, dark as those days were, we were sustained by a spirit of love and by a faith in the future. Since the Armistice was signed we have gotten away from it again. Whatever the solution of the problem, we must get back to that spirit, that most sublime and great spirit that was prevalent during the war. We must not fight each other, but we must find that place where justice lies, and then we must smilingly meet one another on that common ground. This is the word I want to leave with you.

Just another thought. We are a wonderful people in a way. Remember how our men and women worked together during the war. And then remem-

ber how young men, what a magnificent spectacle that was, four million of them, the very best of our young manhood, fighting with one another, not as to who should stay at home, but as to who should be first across the seas and occupy the trenches on the other side. That was so in this state. I never had a grievance from a soldier of Illinois because I was sending him too quickly across, but I had a thousand complaints from others because I favored some organization or some other body of men and permitted them to expose their breasts sooner than I did some others. So it was all over the land, all over the United States. Sublime bravery, where the only complaint was as to who should first be permitted to face the foe.

Indifference in Times of Peace

But when peace came, we began to crawl back into our old conditions. In addition to this, indifference in normal times is one of our difficulties. We are sublime in times of national crises. There is no sacrifice we will not make or any peril we won't go through, but in the piping times of peace we are not so sublime. Sacrifice is not only for the time of war, but it is our duty to sacrifice in time of peace. Until our obligations to others are first met, we should not think of ourselves. We go on from day to day as though this Republic would last forever, whether we pay any heed to it or not. That will not be. Other nations, relatively as powerful as this great Republic of ours, have gone. Nations have no more of mortality than have men.

We call our nation young, as it is, compared with some of the others; but it is one of the oldest powers of the world with an uninterrupted national life. France and many of the other great countries of the world, their monarchies, republics and empires have succeeded each other, sometimes in rapid succession. We are the second oldest civilized great power with uninterrupted national life. This nation will not live forever unless we do our part and keep the heritage of our fathers.

I want to give you an illustration I have often used. To the south of us a few hundred miles is another republic, the Republic of Mexico. The only thing that divides that Republic from this great Republic of ours is an imaginary line. Upon the one side of that imaginary line, as on the other, the same sun shines, the same rain falls, and seasons come and go, and nature is as good and as bounteous on one side of that line as on the other. But as we sit here and look on yonder side of that imaginary line, there are men and women and children starving, and there are ruin and desolation everywhere. On this side of that shadowy line of land, not any more productive, there are schoolhouses on every hill, plenty on every hand, civilization at its best, and on this side the old flag, the Stars and Stripes.

We must never let that flag be replaced by the black flag of anarchy. Are we willing to so live and so meet our duties as citizens as to keep that old flag there? With us there must be no east and no west; there must be no class divisions or class hatreds; we must all stand together for the things that are right and those are the things that that flag represents. I thank you. (Applause.)

The Toastmaster: It has indeed been a pleasure to hear these words from the lips of our Former Governor Lowden, and I know I speak for every one here when I say we thank him for his presence with us.

About 20 years ago a young man from South Carolina was sent to Congress. Within the last 10 or 12 years he has been elevated to the important position of chairman of the Committee on Agriculture, one of the most important committees in Congress. He has had much to do with questions affecting agriculture and distribution. During the war he had large voice in framing what was called the Food Administration laws. Later he was the framer of the law which bore his name, the well known Lever Law, and it is my pleasure to present to you former Congressman Lever, of South Carolina.

ADDRESS OF HON. A. F. LEVER

THIS audience suits me exactly. It reminds me of an incident down in South Carolina. Old Col. Haskell had a pet negro. This colored man was 62 inches tall, with a shock of white hair, ebony colored, teeth as white as ivory, and the proverbial blue gums, which made him the fear of all negroes in the community. It was the custom of the old colonel to give this negro—those were the days before the advent of Andrew Jackson Volstead—a quart of liquor each week. On this Saturday afternoon he went through his usual performance, and on Monday morning when Sambo came up, he said, "Sambo, how did you like the liquor I gave you the other day?" "It suited me just exactly, sah, just exactly, sah." "Why do you emphasize the words 'exactly' so much, Sambo?" "Well," he says, "if that liquor had been the least bit better than it was, you wouldn't have given it to me at all, and if it had been the least bit worse than it was, I couldn't have drunk it at all." (Laughter.)

This is a great country of ours. I have begun to know that fact. It reminds me of a story Governor Haywood told in his campaign for governor. This same Col. Haskell was a planter and not a farmer. He invited a friend from Edinburgh to visit him, an English lord, and the English lord came. Colonel

Haskell put him in the car of this pet negro of his. He said, "Show him around and let him see what we have." So Sambo took him to the poultry yard and showed him some wonderful Rhode Island reds. He said, "These are Rhode Island reds. How do you like them?" The Englishman said, "Sambo, they are nice Rhode Island reds, but you ought to see the Rhode Island reds of Old England, doncha' know." The old darkey scratched his head, but he took him over to the barns and showed him some Herefords, and he said, "There are old master's pet Herefords. How do you like them?" "They are all right," said the Englishman, "but you ought to see the Herefords of old England, doncha' know." Then the old darkey took him down to see the hogs, and it was the same old story there, that "you ought to see the hogs of old England, doncha' know." Then Sambo took him on a hunting trip. It wasn't long before he got a wild turkey. "How do you like that?" said Sambo. "That's fine, but you should see the wild turkeys of old England, doncha' know." "Well," said the darkey then, "let's go down and catch some fish." They landed a four pound trout. "How do you like that?" "Fine, a fine trout, Sambo, but you should see the trout we get in old England, doncha' know." About that same time Sambo discovered one of those little snapping turtles that won't turn you loose when they get hold of you, and he said, "I believe it is about time to go home." After they got home Sambo called his master to one side, and said, "Master, don't be in so much of a hurry about going to bed tonight. There will be something doing around here about my lord's bedside," and he went to his lordship's room, pulled down the covers of his bed, and deposited



HON. A. F. LEVER

there this little snapping turtle. About 10 o'clock that night his lordship went to bed. The old man Sambo sat on the porch waiting for something to happen, and pretty soon there was a crash, an overturning of the chairs, and other furniture, and in two or three minutes his lordship came down that hall, making it in about 2:10 with this snapping turtle attached to him, and he said, "Sambo, in the name of heaven, what is this that has got me?" Sambo said, "My lord, this is an American bed bug. Can you beat him in old England?" (Laughter.)

I am glad to be here on this occasion because it affords me an opportunity to renew an acquaintance with an old colleague of mine in the lower house of Congress, whose very distinguished services as governor of this great state have made his name favorably known in every section of this great country of ours. (Applause.)

And when I look into his face and see so few furrows there, may I not express the hope that the American people will not much longer be denied his public services. (Applause.) I am glad also to be here because it gives me an opportunity to shake hands again with many of your membership whom I have met in Washington when I happened to be chairman of the Agriculture Committee there in the days when Congress was in the hands of real safe and sane men. (Laughter.) If my remarks, in your judgment, should be over-lengthy or at times wearisome, I have no apologies to make, at least to some of you, because for many wearisome hours, as in a veritable straight jacket of duty, I have had to listen to performances just as uninteresting upon your part. (Laughter.)

I shall discuss some phases and aspects of agriculture. You gentlemen who come into such intimate contact with this great business in your everyday lives are no doubt familiar with many facts which I shall briefly bring to your attention, and what I shall say of necessity must be more suggestive than to discuss it thoroughly, on account of the limitation in time. What I desire to do, if I may, is to arouse upon your part, as Governor Lowden intimated, con-

sciousness of the agricultural situation of this country, and a desire upon your part to help in solving its problem.

It is high time that we began to think of the agricultural situation. I am not an alarmist; I am an optimist. I see the roses blooming always. I feel that out of the great shadow which surrounds us now we are going to emerge in a better and higher and happier national life. But we have the problems, and it is our duty to concentrate our thought upon each and every one of them.

People Drifting to the Cities

Urban population, for the first time in the history of this country surpasses the rural population. The ratio is 49 per cent rural and 51 per cent urban, or city. The movement from country to town is steadily increasing, not only in this country but in practically all the great civilized countries of the world. It is true, of course, that improved labor saving machinery has removed the necessity for the number of hands upon the farm, but it cannot be true that labor saving machinery is the direct cause of this constant tendency of the farm girl and the farm boy to leave upon the old swimming hole and the traditions of their families, and live their lives among strangers. There must be other reasons for that, and there are.

I am not so much disturbed about the number of people who are leaving the farm as I am about the type of young men and young women who are leaving the farm. It is the adventuresome ones, those who have the initiative and the brains of our young men and women, to a considerable extent, who refuse to be bound by existing farm conditions, and who have deserted the farms and gone into the towns and the cities. They are being lost to the farms and are being found in the other industries.

More than one-third of our farm population is classed by the Census Bureau as being tenant farmers. In some states, my own for example, this ratio is more than doubled. Sixty-eight per cent of the farm population of South Carolina, one of the original 13 Colonies, is classed as tenants. And remember that the most conservative and law-abiding element of the American population is the American farmer. The millennium in agriculture is not here, and it never will be here, nor will it come in any industry. Tenantry will be with us for all time, but is it too much to think about it and to see if we cannot find some machinery by which we can reduce it to the minimum?

Home ownership, home ownership in rural communities is the surest bulwark for our institutions, the most certain Gibraltar for the perpetuation of organized government. I say in the most solemn manner that the conversion of one tenant farmer into a home-owning farmer is a matter of national defense against foreign or domestic aggression, worth more than the addition of a fully equipped regiment to the army or a superdreadnaught to the American navy. (Applause.) We need not mind a flare-up in our industrial centers if we are always certain that there is in the country homes of this country a prosperous and contented people.

Another thing, the average salary of the average country school teacher is about equal to the salaries of the messengers who run the errands as pages in Washington. The salary of the country preacher is about equal to the salary of the country teacher. And yet more than 90 per cent of the country boys and the country girls of this country receive all of their education, not in the universities, but in the common schools of this country, and the country preacher is the spiritual guide of 49 per cent of our population.

Features of Country Life

The income of the average farmer in America is less for capital invested and labor expended than in any other occupation in life. I am not just talking. I am bringing you facts. I am not running even for Vice-President. (Laughter.) Not more than 4 per cent of the rural homes of America have in them either artificial light or running water. The lack of these things adds to the burden of the housewife, and yet it is the rural woman who is the crux of the rural problem in this country.

I have sometimes thought that the two greatest benefactors of their generations were Thomas A. Edison and Henry Ford. The one, because he has preserved for all time the glorious qualities of the human voice that it might serve to break the dull monotony of the winter evenings of the American country home; and the other, because he has given to mankind a process of cheap and quick transportation, by which the wearisome sameness of country life may from time to time be relieved.

I married a red headed girl. I waited until I was rather old to do that. I was a little doubtful, for I had heard a lot about the temper of red headed folks, but we got along charmingly for three or four years, and I began to make up my mind that all the talk about red headed folks was wrong, until I began to notice that she was becoming dissatisfied and was complaining about things. She complained about bugs eating up the garden, and that the old cow would not put back its right hind leg, to be milked, and things like that. And she got to fuss-

ing with the children and the neighbors and everybody and everything. I stood it all right until one day she kicked the liver out of an old measly hound dog I had. He wasn't much of a dog, but he was my dog. (Laughter.) I knew then there was something radically wrong somewhere. About a quarter of a mile from our little cottage there was a big white oak tree with immense spreading limbs, and I was just entering into politics—oh, some four or five years ago (laughter)—and I used to go down there and try my speeches out on that old tree. I poured tons and tons of liquid eloquence into the trunk of that old tree. I went down there and began to ruminate, and this thought came to me, and I hurried back to the house, and said, "Sweetheart," in a soothing kind of way, "I want you to pack your trunk and my grip (laughter), turn the children over to the neighbors, and let the bugs eat up the garden and let some one milk the old cow, and my dog will get along all right. We are going to the mountains of North Carolina." She couldn't understand it, but I told her I was boss, for that one day, and we went. We went into the mountains of North Carolina. It is a wonderful country up there. They measure the production of their corn in gallons. (Laughter.) They have no ice, and no Ford automobile. We spent about a week, and one time I heard a cheery voice calling at the hotel for me to come around there, and I went, and I said, "What is it, sweetheart?" She pointed to the setting sun, and said, "I want you to observe the glories of that setting sun." It was very fine, but I happened to be thinking that that sun had been setting back of our little cottage for 10,000 years and neither one of us had ever noticed the glories of it. A day or two after that I ran across her petting a miserable hound dog up there in the mountains of North Carolina, and then I said, "What is the secrecy? What have you done?" And if I had to be chained for 365 days, with my gaze fixed upon the master painting of the master painter of all the ages, I would go as crazy as a bed bug in three weeks. What had we done? We had changed the scenery for her. We had broken the monotony of her life, roses had come back to her cheek, the springiness had come back to her heels, and her imagination had again begun to work. And when we say Henry Ford is a benefactor, I am not far wrong.

Agriculture Needs Assistance

It cannot be that 49 per cent of our population is always to be chained to a mere existence. It is unbelievable that the co-ordinated thinking of the American people cannot make agriculture in point of comfort and of profit as interesting and attractive a field of adventure for brains and daring as any other vocation in life. I want to see the time come when we shall point to the captains of agriculture with as much pride as we now point to the captains of industry and finance. But I shall tremble with fear if these captains should simulate the barons of old with their tens of thousands of acres, their castles upon the hill sides, and their thousands of human slaves. I want to see the captain of American agriculture a man so moved by a vision for the common weal, so utterly ruled by his conscience, as that you and I can follow his leadership with implicit faith and confidence, as can also the American farm population of this country. (Applause.)

If we are to be of assistance to agriculture, we must agree that no business is fundamentally sound which does not show a reasonable return upon the capital invested and the labor expended upon it. If the dangerous elements are to be eliminated, we must find some way of making agriculture as profitable as are other businesses. We have got to find some method of making the return commensurate with the investment. For more than half a century most of the legislation, both national and state, has had to do almost exclusively with the problem of increasing agricultural production. We seem to have been obsessed with the idea that the only way to increase profit in agriculture was to increase yield, and yet the situation disclosed by Governor Lowden tonight as existing in the South today demonstrates the fallacy of that very thing. It is an unfortunate proposition that too frequently the greater the production, the less profit there is in the business. That ought not to be. That is economically unsound. I think, I believe, that the present system of farm product distribution is not wholly what it should be. A system of distribution, if the system does that which forces on the market within a period of three to five months, 55 per cent of the staple agricultural products of this country, cannot be defended as an economical system. What is the result? The result is the autumnal drop in prices. What is the result of that? A tremendous strain upon the financial institutions of the country to meet the situation during the crop moving months, and what is perhaps worse than that, a strain upon our transportation facilities that almost breaks them down, and which forces them to keep up an equipment and man power during the period of 12 months that is necessary only during the few months of the fall. That is economically unsound, and somebody pays the freight.

The first step in any scheme of proper marketing is, of course, the standardization of farm products into grades and classes. That is being satisfactorily done now. The next step is to eliminate all unne-

cessary intermediate elements between the original producer and the ultimate consumer of his product. Don't think for a moment that I advocate the elimination of all of the middlemen. I have too much sense and too much experience for that, but I am told by reliable authorities that this shirt, which I now wear—it is silk, and the only one I have—has passed through 14 hands since it left the cotton producer in Texas and before it got to me. (Laughter.) I am not sure, I haven't investigated it; in fact, I have a sneaking idea we might eliminate one or two at least without any serious hurt in the operation.

Another thing. We must educate the American farm public to a more general use of the storage



F. B. BELL AND P. C. KAMM

facilities of this country. We must have warehouses and elevators if we are to have an even flow of farm products into the channel of distribution.

The Federal Warehouse Act furnishes the basis for the building up of a Federal supervised warehouse system, whose receipt is absolute verity for the statement appearing on its face. And then we must find some way of meeting the credit needs



BALTIMORE WAS REPRESENTED BY SOME OF HER BEST MERCHANTS

of agriculture in a better manner than they are now being met. You have the Federal Reserve system, with Section 13 in it, which undertook to meet the short term credit needs of agriculture. In normal times perhaps it served that purpose. Then you have the Federal Farm Loan System which undertakes to meet the long term credit needs of agriculture, and that system is functioning beautifully. We are now loaning from 12 to 15 million dollars per month at a rate of 6 per cent, the principal re-payable on the amortization plan, and already, although in operation only three years of actual loaning, we have loaned more than \$1,000,000,000 to 140,000 farms on those terms. But there are those who are fully convinced that there is a gap between the long term credit notes of agriculture and the short term notes supplied by the Federal Reserve system that must be filled up in order to make the building up of a system by which products may be marketed in the proper fashion.

There are two lines of thought along that line.

One is a warehouse receipt, and to issue debentures against it. The other is to in some way amend the Federal Reserve Act to take care of that proposition. I think I can say to you with great confidence that you may expect legislation in the near future which will take care of that.

There is one other thought, and I am through. In a great speech at Dallas, Texas, some 30 odd years ago, Henry W. Grady, the greatest of later day Southern orators, said something like this: "The movement of the supply of cotton yonder brings more gain to financial England than the movement of the Russian army upon her Asiatic fields." That statement was pregnant with meaning, and it is pregnant with meaning now.

Agriculture is Our Problem

Whose problem is the problem of agriculture? Who is it that is strictly interested in the continuity of production necessary to take care of the needs of the human family? You and I, as non-producers, are dependent absolutely upon the surplus of the American farmer. There isn't a city in the United States that is farther removed than two weeks from actual starvation, if you shut it out from its communication with the farms of America. The problem of the farmer is your problem and mine, and it is not enough for us in self satisfaction to sit back and criticize the efforts of the farmer to ameliorate their condition. It is not sufficient for us to say, "They are struggling selfishly in their own behalf." It becomes our problem to help them conduct their own business in a safe and sane manner. It is our duty to help them to select a leadership of broad vision, of tested courage, who is not afraid to do the right thing at the right time. It is your duty and my duty to awaken a feeling upon the part of the American people that agriculture is the essential, is a great basic fundamental industry upon which all other industries depend.

I cannot close these remarks without expressing to you my sincere appreciation of your patient attention and the cordiality of your reception. I come from far away South Carolina, mingling with most of you who are strangers. I have felt welcome and at home. In my philosophy the great tragedies of the world in history, with all of their waste of material and human treasure, have been visited upon the human race to serve a useful purpose in the great scheme of creation. The blood of two wars, in which yours and mine moved forward shoulder to shoulder, seems to have touched the better natures of us all, and richly to have fertilized it, and to have healed with divine power the scar of 50 years ago. I feel earnestly that my Jackson and my Lee are truly yours as they are truly mine. I know that your Grant and your Lincoln are as truly mine as they are truly yours. (Applause.) I fancy, my friends, that I find myself dreaming upon the fateful field of Appomattox. The shattered remnants of Lee's once great army are bivouacked there. There

are the Stars and Bars of the Confederacy. I am overcome with the hallowed traditions and memories that cluster about it. And then I seem to hear in the distance the roar of artillery, I feel the air tremble and quake as the mighty armies leap into titanic struggle. The groans of the dying fill the air; I hear the commingled notes of "Yankee Doodle" and "Dixie." As the tumult and the shouting increase, I seem to see the Stars and Bars slowly, slowly fade into nothing and in their stead I seem to see the Stars and Stripes appear, one by one, and then I see Old Glory, your flag and mine, as it floats broadly above your hoy and my boy as they march forward in the greatest triumph of all the ages. (Applause.)

The Toastmaster: The speaker from South Carolina has lived up to his reputation. We are all deeply indebted to him for this most interesting address. A motion has been offered by President Clement, of Texas, and seconded by Mr. Goodrich, of Indiana, that this assembly express a vote of thanks

to the two speakers of the evening. All those in favor will please stand. (Motion unanimously carried.)

Your organization, gentlemen, is tonight celebrating its silver anniversary. May I express the hope that we, in this room, may all live to celebrate your golden anniversary. I thank you. The meeting is adjourned.

Wednesday Morning Session

The convention was called to order by President Clement at 10 o'clock a. m.

The President: We will have first this morning an address on "The Pure Food Law as it Applies to the Adulteration of Grain" by Dr. R. E. Doolittle of the Bureau of Chemistry, Washington, D. C.

THE FOOD AND DRUGS ACT AS IT APPLIES TO THE ADULTERATION OF GRAIN

I AM deeply appreciative of this opportunity to discuss with you some of the questions which arise in connection with the application of the Federal Pure Food Law to grain. I know that you are all interested in the administration of the Food and Drugs Act, not only for reason of its direct application to the products which you handle but also for reason of its general effect upon the health and prosperity of the people of our country.

I wonder if it has ever occurred to you that the underlying principles of the pure food laws are simply the ethics of an honorable business—the refusal to permit the sale of an article of food which may be injurious to health and the requirement that all others shall be sold for exactly what they are. If all transactions in food and drug products were carried out under these principles, there would be no need for pure food and pure drug laws. But as one writer has said "To sell nothing for something and make a good profit was one of the earliest ideas for amassing wealth," and adulteration, sophistication, and falsification of foods and other products have existed from the days of ancient history. Our greatest trouble today, as I see it, is that we have reached a stage where through long association with these practices we often regard an adulteration with a tolerance that, to say the least, is surprising and is far from the basic principles of good business.

However, I do not intend to discuss the ethics of the Food and Drugs Act, interesting as that phase of the subject may be. I appreciate that you are business men assembled here in convention to discuss problems affecting your business and I welcome this opportunity to meet with you in order that I may bring to your attention one or two important matters in connection with the enforcement of the Food and Drugs Act as it applies to the products in which you are interested.

Troubles With Oats

During the early months of this year we received a large number of complaints of unfair competition in the shipment into interstate commerce of oats said to be adulterated by the addition of water, screenings, wild oats, weed seeds and similar materials. As a result of some investigations and inquiries made, it appeared that in at least some instances there was a misunderstanding in the trade as to the application of the Food and Drugs Act to grain for reason of the subsequent enactment of the Grain Standards Act. In other words some members of the grain trade were of the opinion that water, screenings, wild oats, and similar materials could be added to oats without violating any law, provided the percentage of water or amount of other foreign material did not exceed the limits of the definition for oats or the particular grade under which sold as promulgated in the regulations for the enforcement of the Grain Standards Act. If such practices were legitimate, it meant that an elevator might purchase oats with a moisture content of 10 to 11 per cent, which I believe was the general average of last year's crop, add 3½ to 5 per cent of water and sell the product as oats, or he might purchase oats at the top of a grade, add foreign matter to the extent permitted by that grade and sell the mixture under the same grade as purchased or even add foreign matter to the extent of 25 per cent and still sell his mixtures as oats.

Such practices, if permitted to continue, could only result in a demoralization of trade. It has been said that "competition is the life of trade," and so it is where on the two sides we have industry and alertness guided by honesty and integrity but it is not true of the unfair competition of dishonest sophisticated products against honest unadulterated ones. Such competition, if it may be called competition, always results in the honest product being driven from the market and the honest merchant out of business. Apparently this was the situation the oat trade was fast approaching last spring. Adulterated oats had practically driven the pure product from the market in certain sections of the United States. Complaints received by the Department stated that "Matters have come to such a pass that we are compelled to follow suit or absolutely sacrifice our business."

Every pound of water and every pound of screen-

ings, weed seeds and wild oats sold in these adulterated products took the place of a pound of oats and the price of pure oats was lowered throughout the entire country by the sale of these adulterated products. The loss to the farmers and to the smaller elevators must have been tremendous when we consider the value of the entire oat crop of the United States, to say nothing of the fraud perpetrated upon the consumer. Just as long as a single elevator cheapens the price of oats by adulteration just so long will the price of pure oats be lowered throughout the country. The trade refers to the screenings and wild oats as coming from the Northwest where it is stated that they are separations obtained from the cleaning of wheat. I wonder how many of you know that in the past large quantities of screenings have been imported into this country from Canada. In this connection the following extract from a newspaper item is of interest. It reads as follows: "Fort Williams, Ont. Message says: Grain screenings, worth \$20 a ton 18 months ago and from which Canadian farmers and grain companies obtained \$5,000,000 annually in export to the United States, are being dumped into Lake Superior by local elevators. This by-product is no longer of value owing to the decline in the price of sheep which fed largely on screenings." The feeding of sheep is not the principal use for screenings in this country.

Now in the first place the Federal Food and Drugs Act applies to oats and other grains intended for either human or animal food in exactly the same manner as it does to meat or bread or butter or sugar or any other article of human food. Section 6 of the Act defines the term "food" to "include all articles used for food, drink, confectionary, or condiment by man or other animals, whether simple, mixed, or compound." In other words by definition of the term "food," the provisions of the Food and Drugs Act were made to apply to the products intended for food for animals as well as those intended for food for man.

Definitions of Adulteration

Then the Act defines the various ways in which an article of food shall be deemed to be adulterated. These are as follows:

First. If any substance has been mixed and packed with it so as to reduce or lower or injuriously affect its quality or strength.

Second. If any substance has been substituted wholly or in part for the article.

Third. If any valuable constituent of the article has been wholly or in part abstracted.

Fourth. If it be mixed, colored, powdered, coated, or stained in a manner whereby damage or inferiority is concealed.

Fifth. If it contains any added poisonous or other added deleterious ingredient which may render such article injurious to health.

Sixth. If it consists in whole or in part of a filthy, decomposed or putrid animal or vegetable substance, or any portion of an animal unfit for food, whether manufactured or not, or if it is the product of a diseased animal, or one that has died otherwise than by slaughter.

The addition of water, screenings, wild oats, weed seed or other foreign matter to oats or other grains is expressly prohibited by paragraphs 1 and 2 of these definitions, i. e., in such mixtures they are substances substituted wholly or in part for oats and mixed or packed with the oats so as to reduce or lower or injuriously affect their quality or strength. This seems so plain to me that I can hardly appreciate how there can be any misunderstanding on the part of anyone in the trade.

The Grain Standards Act

The Grain Standards Act contains no clause repealing or changing any portion of the Food and Drugs Act nor does it in any way nullify any provisions of the Food and Drugs Act. As indicated by its title the Grain Standards Act is an act providing for the establishment of grades for grain as found on the market in order to facilitate business transactions in that commodity. It has nothing to do with the purity of the grain further than to assure the purchaser if he buys under a grade that the product delivered will fall within certain limits as to weight per bushel, moisture content, broken and damaged kernels, other grains and foreign material—factors which I take it determine its merchantability and its suitability for the various uses to which the grain may be put and thus fix its market value.

The framers of the Grain Standards Act and Congress in its deliberations during passage must have considered that the matter of adulteration of grain was adequately taken care of by the provisions of the Food and Drugs Act, an act covering the adulteration and misbranding of all articles of food, and enforced by a scientific Bureau in no way connected with the commercial transactions in grain. The entire situation may be summed up in the statement that the Food and Drugs Act applies to grain now in exactly the same manner as it did before the passage of the Grain Standards Act.

A discussion of the addition of water to oats always brings up the question of bleaching. Few complaints have ever come to our attention of the addition of water to other than the sulphur bleached oats. It has been stated that the sole object of bleaching was to add water, particularly with a crop of the quality of that of the past year. On the other hand, it is claimed that bleaching removes ground or weather stains and fungus and gives the oats a polish

and generally improved appearance. This matter has been before the Department a number of times, as you know. In July 1912, Food Inspection Decision No. 145 was issued after careful consideration had been given to the evidence obtained at a public hearing by the Secretary of Agriculture. The principles set down in this decision have never been changed by any subsequent decisions of the Department and in order to refresh our memories I am going to read F. I. D. No. 145:

The Department of Agriculture has received numerous inquiries relative to the application of the Food and Drugs Act to oats, barley, and other grains bleached with the fumes of sulphur. It appears that by this process grains which are damaged or of inferior quality may be made to resemble those of higher grade or quality, and their weight increased by addition of water. Such products, therefore, are adulterated within the meaning of the Food and Drugs Act of June 30, 1906, and can not be either manufactured or sold in the District of Columbia, or in the Territories, or transported or sold in interstate commerce.

It is represented, however, that grains which are weather-stained, or soil-stained, the quality of which is in no wise injured in other respects, are sometimes bleached with sulphur fumes. Pending the report of the Referee Board of Consulting Scientific Experts as to the effect upon health of sulphur dioxide, and the results of experiments being made by this Department as to the effect of sulphur-bleached grains on animals, no objection will be made to traffic in sound and wholesome grains which have been bleached with sulphur dioxide and from which the excess water has been removed, provided that each and every package is plainly labeled to show that the contents have been treated with sulphur dioxide. Bulk shipments should be properly designated on invoices. The terms "purified," "purified with sulphur," "processed," etc., are misleading and not proper designations for these products.

Attention is also called to the fact that grains bleached with sulphur fumes may have their germinating properties very seriously impaired.

Clearing Up Doubtful Points

There have been, however, several announcements issued subsequently to F. I. D. No. 145 for the purpose of making more clear certain points which have arisen in connection with the enforcement of the law or in reply to inquiries of general interest to the trade. The first of these was in November 1915, and is designated as Announcement No. 150, S. R. A. Chemistry 15. This simply reaffirms F. I. D. 145 and was issued in response to a request from the trade for a suspension or modification of the F. I. D. for reason of the conditions of the 1915 crop of oats. In January 1916, a second announcement, No. 166, S. R. A. Chemistry 16, was issued in response to inquiries from the trade which elaborates on F. I. D. No. 145, explaining in some detail the Department's position on this question. This is of interest and I will read it:

The Department has been asked to clarify or modify item 150 in S. R. A. Chem. 15, dealing with oats bleached with sulphur dioxide, and also to explain its position in respect to the mixing of barley and other grains with oats. The Department's views are as follows:

First. Oats which, at the time of shipment in interstate or foreign commerce, contain moisture, which has been added by bleaching or other artificial treatment, are adulterated under the Food and Drugs Act. In considering whether any lot of oats contain added moisture, the Department is guided by the facts relating to that particular lot and not by the moisture content of other individual lots, nor by the average moisture contents of the crop of oats for that entire year. It is not the practice of the Department, however, to recommend seizure or prosecutions on account of added moisture in oats as a result of bleaching unless moisture exceeds 1 per cent.

Second. The changing of the color or appearance of oats by treatment with sulphur fumes presents a question as to the application of the part of Paragraph 4 of Section 7 of the Food and Drugs Act, "in case of food," by which articles of food are declared to be adulterated if they be "mixed," "colored" powdered, coated, or stained in a manner whereby damage or inferiority is concealed.

(This provision is not a general prohibition against coloring. Under it only those oats are adulterated which are damaged or of inferior quality and which have the damage of inferior quality concealed by the bleaching.)

The Department is informed that the bleaching of oats does not always conceal damage, but sometimes makes it apparent. In other cases, it is claimed that the bleaching of damaged or inferior oats serves to remove the damage or inferiority rather than to conceal it. Whether or not the bleaching of oats as commonly practiced conceals damage or inferiority cannot be finally decided on the facts now available. Investigations are being conducted, however, with the object of obtaining adequate information on which the Department may reach a conclusion as to whether the bleaching of oats conceals damage or inferiority under all conditions, or, if not under all conditions, under what conditions. Pending the conclusion of these investigations and the announcement of the results thereof, the Department will not recommend proceedings under the Food and Drugs Act solely upon the ground that oats which have been bleached with sulphur fumes have been colored or stained in a manner whereby damage or inferiority is concealed, provided, that in the case of bulk shipments of oats, the fact that they have been bleached with sulphur dioxide is shown on invoices, bills of lading, and inspection certificates, whenever such certificates are issued, by using the terms "bleached with sulphur dioxide," "sulphur bleached," "sulphured," and in the case of shipments in bags, the bags are plainly marked to the same effect. The terms "purified," "purified with sulphur process," and the like, are misleading and therefore are not regarded as being proper designations of these products. The Department will not hesitate, however, to recommend proceedings under the Act, without notice, if it appears that the conditions herein specified are not complied with or if it appears that the bleaching of oats results in actual fraud.

There is one statement in this announcement to which I especially wish to refer. The last sentence of paragraph three states that "It is not the practice of the Department, however, to recommend seizure or prosecutions on account of added moisture in oats

as a result of bleaching unless such added moisture exceeds 1 per cent." There appears to be some misunderstanding concerning this 1 per cent tolerance. Some of the elevators appear to have been under the impression that an additional 1 per cent of moisture was allowed in sulphur bleached oats. This is incorrect. This statement was merely an explanation of the procedure followed by the Department in the consideration of cases arising either for seizure or for prosecution, and the tolerance of 1 per cent was made for variations in analytical methods and results and what might be reasonably expected under good commercial conditions of handling. It is not intended that oats bleached with sulphur shall, when shipped into interstate commerce, contain any added water. The Bureau of Chemistry has now under consideration the elimination of this sentence in order that there shall be no misunderstanding in the trade.

I also desire to call your attention to the statement in this announcement that the proper terms for labeling oats which have been bleached with sulphur is "Bleached with Sulphur Dioxide," "Sulphur Bleached" or "Sulphured" and the bags shall be plainly labeled. This means that the legend should be placed on the bag in connection with the name of the product in plain and conspicuous type. The practice of stenciling bags on or near the bottom where the legend is obliterated or entirely removed by dragging the bag across the floor is not in compliance with this decision.

There is one more announcement which has been made by the Department relative to water in oats or other grain and that is No. 330, S. R. A. Chemistry, 24, issued in January 1920. This is of interest for reason that it was issued subsequently to the enactment of the Grain Standards Act and promulgation of the standards for oats. It reads as follows:

The addition of water to wheat or other grain which come within the jurisdiction of the Federal Food and Drugs Act is in violation of that law, regardless of whether or not the moisture content of the grain after such treatment falls within the tolerance permitted by the official grain standards of the United States. Such a practice is clearly defined as an adulteration in Section 7 of the act, and will be proceeded against accordingly.

The addition of screenings, weed seeds, foreign grains, or similar substances comes within the same prohibition.

Grain Mixtures in Interstate Commerce

There have also been issued certain announcements which refer to mixtures of two or more grains and to mixtures of grain with screenings and similar materials. The first of these, Announcement No. 123, S. R. A. Chemistry 13, was issued by the Department in May 1915. This consists of replies to a number of inquiries received which were of general interest to the trade. Some of these are very pertinent to our discussion. For instance the question is asked, "Is it lawful to ship mixtures of grain into interstate commerce?"

The reply is made that "It is the opinion of the Bureau that under the provisions of the Food and Drugs Act, it is not illegal to ship mixtures of various grains in interstate commerce provided each party to the transaction understands the true nature of the mixture and provided further that the product is sold, hilled (including all railway records), invoiced and labeled (in case a label is used) as a mixture of such and such grains. It is the opinion of the Bureau that the names of the grains present in the mixture should be given in the order of their weights, beginning with that which is present in the largest amount."

Other Problems

Another question asked and answered is as follows: **Question**—"Is it lawful to ship mixtures of grain screenings with low-grade wheat, rye, oats, barley or other grains in interstate commerce?" **Answer**—"It is the opinion of the Bureau that under the provisions of the Food and Drugs Act, it is not illegal to ship various grains mixed with grain screenings in interstate commerce, provided that each party to the transaction understands the true nature of the mixture, provided the product is sold, hilled (including all railway records), invoiced and labeled (in case a label is used) as a mixture of such and such grains with grain screenings, and provided the grain screenings have feeding value. In naming such a mixture the predominating ingredient (grain screenings or the particular grain in the mixture) should be placed first."

Another question and answer which directly refers to our discussion reads as follows: **Question**—"Is it lawful to ship in interstate commerce rye, oats, barley, or other grain to which any foreign matter has been added?" **Answer**—"It is the opinion of the Bureau that the interstate shipment under the name of rye, oats, barley, etc., as the case may be, of grain to which any foreign matter whatsoever has been added would constitute a violation of the Food and Drugs Act. Such products should be labeled in accordance with the principles laid down in answers to questions above. If the foreign matter added be filthy, decomposed, or putrid, or contain poisonous ingredients, which might render the mixture injurious to health the product would be adulterated irrespective of how branded."

Still another question and reply on the matter of addition of foreign material is as follows: **Question**

"Would the addition of weed seeds to rye be an adulteration?" **Answer**—"A product which is shipped in interstate commerce and sold, invoiced, billed, or labeled as rye is adulterated under Section 7 of the Act if weed seeds have been mixed with the rye. The same rules that apply to labeling mixtures of various grains and screenings apply to mixtures of rye and weed seeds. Poisonous weed seeds should not be added to feed or food products under any circumstances. Such feed or food stuffs would be adulterated within the meaning of the Food and Drugs Act."

Again in Announcement No. 166, S. R. A. Chemistry 16, to which we referred in our discussion of added water, the following statement is made: "The Department is of the opinion that oats containing not over 5 per cent of barley or other grain which has not been added to the oats after they were harvested but which were present with the oats in the field may be designated 'oats.' The Department is further of the opinion that oats with which barley or grain has been mixed after harvesting are adulterated and misbranded if they are labeled and sold as oats. Such mixtures should be sold, billed (including all railway records), invoiced, and labeled (in case a label is used) as a mixture of oats and the added grain. It is believed that the grains present in the mixture should be given in the order of their weights, beginning with that which is present in the largest amount."

And then finally in Announcement 330, S. R. A. Chemistry 24, issued subsequently to the passage of the Grain Standards Act, the warning is given that the addition of screenings, weed seeds, foreign grains or similar substances is clearly defined as an adulteration in Section 7, of the Act and will be proceeded against accordingly.

In addition the official standards for oats as promulgated by the Department and distributed to the

Grain Standards Act is an Act controlling purely commercial transactions. They are looking at it from a commercial point of view. The Food and Drug Act applies to the purity of food. We are only looking at it from its value in connection with food products.

Mr. O'Bannon: You undertake to apply the accuracy of science to your methods?

Dr. Doolittle: To a certain extent, yes.

Mr. O'Bannon: They undertake to apply only a limited accuracy.

Dr. Doolittle: I would not want to say what they do, because I do not know.

Mr. O'Bannon: In the Southwest, we have oats this year that run particularly to weathered oats. They are shipped for planting purposes. Germination tests of those oats, the worst weathered we could find, show 93 to 95, which shows the germ has had little damage, and the question comes to me, and is now under consideration by the Federal Board of Grain Inspection, as to what actually does constitute damaged oats. Shall we look at it superficially in the case of oats, or look at it from the food angle, or shall we go to the germ part of it?

Dr. Doolittle: These are sold as damaged oats?

Mr. O'Bannon: No sir, the effort is to make them come to No. 3 oats. Between No. 3 and No. 4 we have a great deal of difficulty, because this kernel shows the stain of the weathering.

Dr. Doolittle: We would not take any exception to color. The color would not affect our determination. I can appreciate how that might affect a grading.

Mr. O'Bannon: The disposition of the inspectors is to grade them sample or No. 4. The requirements of the trade would be to grade them No. 3. Now, the proposition is, what shall we do?

Mr. Wilkinson: Suppose I buy sulphured No. 3 White oats from some market, and get an official inspection, and ship them out without handling them



THEY BROUGHT PRIZE CORN FROM VAN WERT COUNTY, OHIO

trade, contain this provision: "Food and Drugs Act. Nothing herein shall be construed as authorizing the adulteration of oats by the addition of water, by the admixture of clippings or hulls, decomposed salvage oats, other grains, or any other foreign materials, or otherwise in violation of the Food and Drugs Act of June 30, 1906."

It would seem that with these definite provisions of the law and the full complete information of the Department's attitude given in the form of food inspection decisions and service and regulatory announcements, there could be no misunderstanding in the trade. If these matters were complicated or involved, there might be some excuse for a misinterpretation. But as I said at the beginning, the principles of the Food and Drugs Act are simply the ethics of honest business and the way is clear and plain for the merchant who conducts his business along such lines.

The duty of the Department of Agriculture in the application of the provisions of the Food and Drugs Act in these forms of adulteration is plain. The Department cannot lay down regulations and decisions and then stop. It must use every resource at its command to see that the law and the regulations are complied with. Plans have been formulated to suppress the traffic in adulterated oats wherever found and we propose to put these plans into effect and in this we expect the support and hearty co-operation of the trade itself.

Mr. O'Bannon: What is an accurate definition of the term "damaged oats?"

Dr. Doolittle: We would consider that entirely in respect to its value as food, either human or cattle.

Mr. O'Bannon: Do you connect, then, with the Federal Inspection Department? Do your ideas link with theirs in that definition?

Dr. Doolittle: I could not speak, of course, for any other Department.

Mr. O'Bannon: Should they not?

Dr. Doolittle: They should, to a certain extent, except you must take this into consideration: The

myself. Later the Government finds those oats have been adulterated by adding water. Am I responsible?

Dr. Doolittle: The man who ships the goods in interstate commerce is responsible.

Mr. Wilkinson: Then am I to go back of the Federal Inspection to be sure before I ship those oats?

Dr. Doolittle: That might be one way of protecting yourself. The other way might be by guaranty. If an elevator ships or delivers a commodity for shipment in interstate or foreign commerce, at the owner's order, each is liable and either may be prosecuted according to the circumstances of the case. I see this decision, from which I am taking this principle, is not exactly appropos to your case. But the law prohibits the sending of an article from one state to another, that it, an article prohibited in the Act, and the party shipping the goods is responsible. There is a section in the law which provides a certain guaranty; I think it is Section 10 of the Act.

Mr. Wilkinson: It would be rather presumptuous in me to demand a guaranty from the shipper as well as the Government Federal Inspection. That puts quite a responsibility on one who deals in oats.

Dr. Doolittle: Yes sir, it does.

Mr. Wayne: If I have a ear of grain mixed in the elevator by mistake, we will say it is oats and corn mixed, and I bill it out as corn, am I violating the Food and Drug Act?

Dr. Doolittle: Strictly speaking, undoubtedly it is a misbranding under the Food and Drug Act, because it is a mixture of grain under the name of one grain. As a matter of fact, no one is mixing it that way. Before prosecution is instituted, the party is cited to a hearing. The law provides for that, not before seizure, but before prosecution, and at that time the party is entitled to present the facts as to why he ought not to be prosecuted. If there is a reasonable explanation as to how it occurred, and no fraud has been perpetrated, there is no likelihood of prosecution, although there might be a technical violation of the law.

Mr. O'Bannon: The Government would give its

preference to a complaint that would frown on the purchase by the grain dealer of stuff that comes mixed from the farm, provided the grain dealer was not sufficiently well equipped to condition that to enable it to pass into interstate commerce; in other words, turn it back to the farmer.

Dr. Doolittle: The Bureau of Chemistry would not particularly frown; we are particularly interested in provisions of the Food and Drug Act. There are other offices in the Department that take these things up. For instance, during the past season, we have had a lot of trouble with the adulteration of potatoes by dirt. That seems like a foolish thing, but there are certain sections where they are putting up potatoes and dumping in a lot of dirt. We took action in some cases to let them know we did not countenance such an operation. At the same time we reported it to the Department at Washington. We have succeeded in getting those people to grade their potatoes and sell them out under grade, which has corrected the entire condition. The same way with oats. Though we have not the money or the men to take up these things, we try to co-operate by calling these things to the attention of the other Bureaus in the Department.

Mr. O'Bannon: These Departments, each functioning according to its own instructions, are not sufficiently correlated in their efforts to make it possible by complying with one set of instructions, to make us immune from another set of instructions in case they overlap.

Dr. Doolittle: The two Bureaus are co-ordinating insofar as work is concerned. The Bureau of Markets has called to our attention numerous instances of adulteration coming to their notice, but they are not concerned particularly with stamping that out. They say it is the duty of the Bureau of Chemistry; and we in turn have co-operated with them to the fullest extent. We have a case now be-

grateful appreciation of it. To that fewer number, however, who naturally are accorded a degree of appreciation a little in excess, only, in that we give them something above that accorded the general run of the membership who exercised this interest, there are four to whom we are presenting today beautiful diamond pins as a testimonial of the appreciation of the officers and the organization of their work. These four are Lester Stone of Amarillo, Texas; Philip C. Sayles of Columbus, Ohio; E. F. Huber of Minneapolis, Minn.; and F. H. Huntting of Sioux City, Iowa. Mr. Stone, by reason of having secured the greatest number, 48, we give the first prize. Mr.



LESTER STONE, AMARILLO, TEXAS
Winner of First Prize

Sayles gets the second prize, having secured 24 members, for which we are duly grateful. Mr. Huber secured 17 members. Mr. Huntting is not here, but we will see that this beautiful prize gets to him.

Mr. Jones: In an organization of this kind, the records show that the work from day to day or month to month is usually done by a few of the total membership. Instances are rare indeed where any one man will take an unusually active interest in the work for a long term of years, and yet we have a few cases of that kind. This morning we want to take a few minutes to give recognition and ack-

money, and it seemed that the only reasonable thing to do would be to disband. The grain trade of the country did not realize the necessity for a work of this kind, and they did not appreciate what they were getting as the result of this work. In passing, I might say I sometimes wonder if we, as the individual members of this organization, realize and appreciate the work being done and the benefit each is receiving in his own business as the result of the work of this organization. At this convention at Niagara Falls, Goemann and a few of the other loyal souls like him, recognizing the necessity of having a watch dog in the grain trade, set their shoulders to the wheel and hands in their pockets, and saw to it that new life was breathed into the Association. It was there that Mr. Goemann was elected our president, and from that day, with practically no interruption, he has served this organization continuously, actively, faithfully, without any compensation, doing it for the pure love of mankind.

You can better appreciate the work Mr. Goemann has done as chairman of our Transportation Committee when you stop to consider what it would mean to you to travel day by day, aye, week by week, far from home, giving your attention to some one else's business, and, be it said, for years he bore those expenses himself, because he knew the Association had no funds with which to meet them. Work of this kind, however, has not gone unrewarded, for there is imbedded in the heart of every member of this organization a feeling of appreciation that will never be forgotten.

I am glad to have had the opportunity to make these few remarks of Mr. Goemann. I am glad because I am delighted to see him get the recognition



P. C. SAYLES, COLUMBUS, OHIO
Winner of Second Prize

fore the grand jury, a case involving conspiracy proceedings, that does not affect the Pure Food Act any more than some other Act.

The President: I want to express our very keen appreciation of Dr. Doolittle's talk, and the information he has given us.

PRESENTATION OF BOOSTER PRIZES

I HAVE now another pleasant duty to perform. During the past, as you all know, and as each one of us appreciate, we have been facing a very serious proposition in the matter of membership. There has been a large number of resignations. There have been four times the normal expulsions due to this fact: We would have had a large cut in the membership of this National organization had it not been for the zeal and the enterprise and the interest of the boosters in the great booster campaign that was carried on for the purpose of preserving the membership of the Association intact.

I must express on the part of the organization our grateful appreciation of the efforts of every single member who participated in the work of soliciting members for the organization. Our organization cannot possibly be kept up if the individual membership does not take an interest in maintaining that membership. Fortunately, our membership is impressed with that important fact. There have been a number of boosters who exercised themselves with the utmost zeal and with the greatest continuity in an effort to bring into the national organization as many members as possible.

There has been more than the ordinary number who have distinguished themselves this year. There is no provision for reward of those larger number who participated; all we can do is to express our



F. H. HUNTTING, SIOUX CITY, IOWA
Winner of Fourth Prize

knowledge of the great work that has been done for this organization by one of our members, work which has never been surpassed, and in truth I may state that I believe it has only been equalled in one other case. It is easy enough to attend an annual convention or a few meetings during the year and whoop things up for the good of the cause, but to constantly, year after year, devote your time and activities to a work that is of no more personal benefit to your business than to the business of every other member of the grain trade in the country, and to do this without any compensation whatever, is as Grantland Rice would say, "Quite another thing again."

Practically from the beginning of this organization Henry L. Goemann has demonstrated such an unselfish disposition and such a willingness to work as to set an example for future generations as will indeed be hard to follow. This Association has never been more prosperous than it is today, but there are plenty of men in this hall who can testify to the fact that there have been times when it seemed that the good old ship would sink. In 1906, when the convention was held in Niagara Falls, we had just about hit the rocks, with a small membership and no



E. F. HUBER, MINNEAPOLIS, MINN.
Winner of Third Prize

due him. Now, Mr. Goemann, if you will step here (Mr. Goemann approaches). (Applause.) On behalf of the entire membership of this organization, I want to present to you this token, a token of our appreciation. In no sense is this intended as a reward. Such work as you have done for us cannot be rewarded in a financial way, and yet, sir, I know you will appreciate this more than you would have any attempt on our part to reward you by something of intrinsic value, for I want to say, sir, that this with pin goes the love, esteem and ever-lasting friendship of thousands of men in your business and there is no greater honor that can come to any man than to know he has the love, esteem and confidence of those men with whom he has lived in closest contact. (Applause.)

Mr. Goemann: I hardly know how to express myself at this time. I cannot express my appreciation. The work I have done has been one of pleasure, and I have done it because I thought it was my duty to do it, and I was glad to be able to do it. I want to thank you all from the bottom of my heart for the loyal support you have given me and for this expression of your kindly feeling, and of the knowledge that I have your good will and your esteem. That will always be the greatest pleasure that I know and can have. I thank you sincerely. (Applause.)

Mr. Cassidy: Henry has allowed the Grain Dealers National Association to pull his leg, and with the same impunity he has pulled everybody else's leg. I am one of the few who know how well he has done his job. He has left no stone unturned, from the Government of the United States down to the man on the track who looks after the cars in the yards, to obtain results for us.

Mr. Radford: No man ever appeared before the

Interstate Commerce Commission who received more careful attention than Mr. Goemann. That is the highest authority in transportation in this country, and we were fortunate to have Mr. Goemann before that Commission.

The President: We will now have the report of Uniform Grades. Mr. Washer, the chairman, is unable to be here, and in his absence I will ask the secretary to read it.

REPORT OF THE UNIFORM GRADES COMMITTEE

THROUGHOUT the year just ended, there has been submitted to this Committee by the entire membership of the Association, but one matter for its consideration. Geo. F. Milbourn & Sons of Fairland, Okla., suggested that some action be taken by the Association relative to requiring the carriers to disinfect grain cars with weevil infestation.

Your chairman had some quite extended correspondence with terminal elevator men upon this subject and it was the general opinion that weevil infestation was not transmitted to any great extent by the loading of grain into cars which had previously held weevil infested grain, and considerable doubt seemed to exist as to the practicability of fumigation of this character.

It is the opinion of your Committee that weevil infestation occurs largely on the farms and in country elevators and that it would be very much worth while to conduct a thorough campaign of education amongst farmers, first in the cleaning of their bins and granaries and application of an insecticide that would destroy the insects in the empty granaries, and further, toward the use of carbon bisulphide or some other agent if the grain has become infested.

This should be strongly urged, and especially this season. It is your chairman's experience that the weevil infestation in grain this year is more pronounced and more serious than he has ever seen it, and unless some immediate action is taken to eradicate this evil, millions of dollars in value will be lost to the farmers and the grain dealers of the nation.

We are particularly directing the attention of the membership to this item,—in that out of a membership of 5,000, this was the only matter submitted to the Uniform Grades Committee by any member. If your committees are to be of benefit to the Association they should be used by its membership. This does not apply to this Committee alone.

Attention of the membership is directed to the fact that the United States Department of Agriculture, under an order signed by Secretary Wallace, effective October 3, 1921,—the size of perforations in the screens used for determining foreign material and cracked corn, is fixed at 12/64 of an inch instead of 14/64 of an inch as at present. This reduction in the size of perforations in corn screens will permit a larger percentage of cracked corn and small whole kernels to pass through the screens without reducing the grade. This is a very just decision in that it permits corn that still contains ample feed value, even though broken, to remain in the grain without depreciation in price. This item should be of especial interest to the makers of kiln dried corn which has a tendency to break and shatter very materially.

It had been the purpose of the Committee to direct the attention of the membership to activities of the Bureau of Chemistry of the United States Department of Agriculture in reference to the adulteration of oats, but your chairman notes that Dr. R. E. Doolittle, Chief of the Central District of the Bureau of Chemistry, and located in Chicago, is to address the convention upon the subject on tomorrow, and as his words should be authoritative, your Committee will refrain from any comment previous to his address.

Your Committee wishes most emphatically to call your attention to a bill introduced in the 67th Congress by Representative Steenerson, entitled HR-7401, "A bill prescribing a fixed and arbitrary standard for any In this bill Representative Steenerson endeavors by legislative enactment to prescribe specific grades for Spring Wheat, thereby taking the authority from the Department of Agriculture where it is now vested. We cannot refrain from protesting against the absolute unfairness and inequity of this type of legislation. If this should be permitted to become a law, then every representative from every district in the nation would be fully justified in introducing a similar bill prescribing a fixed and arbitrary standard for any commodity raised or manufactured in his district.

The machinery now provided under the Uniform Grades Act seems to be well advised. Opportunity is given for hearings before the Secretary of Agriculture in the matter of any necessary changes in the grades of grain. In such a hearing, all interested parties have the right to appear and present their viewpoint. To attempt to throw the determination of grades into the vortex of Congress would mean chaos worse founded for the grain trade.

It is an obvious fact that you cannot legislate value into anything, and this attempted legislation is most ill-advised. We respectfully submit that you might as well introduce a bill into Congress declaring pumpkins to be cantaloupes, but that would not make it so. Since the passage of legislation providing for Uniform Grades of Grain, the functions of this Committee are rather circumscribed and the fact that so little use is made of the Committee is perhaps, a tribute to the efficacy of the now existing laws. However,

for the benefit of subsequent Committees, we would suggest that the membership of the Association take up with the Committee on Uniform Grades, any matters of interest to their especial communities and the commodities raised therein.

The President: The next will be report of committee on rejected applications, Mr. Cash, chairman.

Mr. Goodrich: Inasmuch as these reports are to be published, and each member will receive a copy of them, I move the reports be considered as read and made a part of the proceedings. (Seconded by Mr. Green and carried.)

REPORT OF COMMITTEE ON REJECTED APPLICATIONS

YOUR Committee on Rejected Applications begs to report that 10 cases have been referred to it since the Minneapolis convention. Inasmuch as the work performed by your Committee is of a confidential nature, we will not give a report in detail. However, we might say that out of the 10 cases investigated it was the judgment that six of these were worthy of membership in our Association, while three were found for good causes not satisfactory. One case is still under investigation.

As the Committee has only been serving your Association two years, a little detailed information as to the work of this Committee might not be amiss at this time. The Committee is divided into three divisions in order to facilitate the work. The Western division is in charge of S. C. Armstrong, Seattle, Washington; the Eastern division in charge of A. S. MacDonald, Boston, Mass., and the Central division in charge of D. M. Cash, Decatur, Ill., who is the chairman.

When an application for membership has been ob-



F. G. HORNER LED THE ILLINOIS DEALERS

jected to by some member your secretary sends the complaint to the chairman of this Committee, who either investigates or has investigated by the member of the Committee in whose division the applicant resides the complaint from all angles, and then after the Committee's vote has been secured, the result with all papers pertaining to the investigation is sent in to your secretary, who submits the report to the Directors for their final decision.

Our Committee is really a court of judges to pass on evidence submitted as to the standing of concerns complained of. We must and do judge each case on its merit without prejudice. The work of this Committee brings it in contact with some very peculiar situations and we find in many cases where the objections made are simply founded on some petty differences, but of course some cases are well founded. At times it is very difficult for us to obtain authentic information because even the member objecting is loathe to give his reason, fearing that the information will be divulged to the applicant.

We would like to impress on the members that they can be of great assistance to the Committee if they will co-operate with them in these investigations when called upon to do so. All information is held in the strictest confidence by the Committee and our secretary. One case which was referred to this Committee was where two grain firms had been admitted to membership. In fact, had held their membership cards for some time, when one of the secretaries of one of the state associations asked that these members be expelled because they were not considered regular grain dealers. That is, they had no investment at the stations where they were operating. In other words, they were known as "scoop shovelers."

We do not think that this was a matter for this Committee, but rather a matter for the Directors to decide as to whether these members should be expelled or retained in the Association. Nevertheless the Committee is making an investigation which will be duly submitted to the Board of Directors.

While this investigation perhaps will not only serve to enable the Directors to decide this case, it will

bring to their attention the fact that some steps should be taken to have a more careful plan worked out so that all applications may be more thoroughly looked into before the applicants are admitted to membership. It seems to your Committee that our Association, in its desire to increase the number of its membership, has let down the bars too low. We are becoming, it would seem, too all inclusive. Almost anybody can be a member of the Association and their membership applications are approved in almost every instance by a large percentage of the Board of Directors who have never heard of the concern in question.

While your Committee will not attempt to outline any plan or recommendation, we would suggest that requirements for admission to membership be a little more rigid. It would not be a bad idea if all applications were published in *Who Is Who in the Grain Trade* before being passed.

The work of this Committee has not been heavy considering the number of yearly admissions to membership, nevertheless it does seem to us that the number of cases presented to our Committee should not have reached the total of 10 for one fiscal year. The entire Committee believes that the Committee on Rejected Applications is serving a good purpose and suggests that all members lend every support to the future committees.

REPORT OF MEMBERSHIP COMMITTEE

DURING the past year, which we all know has been the most strenuous in the history of the grain trade, the Boosters of your splendid organization have put forth their best efforts in an endeavor to enroll 350 new members, and after many months of good hard work 363 new members were secured.

When you stop to consider that in 1919, which ranked among one of the best years for the trade, we secured but 361 members, you can very readily understand that in 1921, with all its trials and tribulations, it has required no little patience, effort and coaxing to secure 363 members. It is a record that each and every one can be justly proud of, and each and every one of the boosters is entitled to sincerest thanks for the hearty co-operation and splendid work he did during the campaign. It has only been through their excellent support that the campaign has been made a big success.

Each year prizes are awarded to the four boosters securing the most new members during the campaign. The following is a list of the 1921 prize winners:

Lester Stone, Amarillo, Texas, first prize, enrolled 48 members.

P. C. Sayles, Columbus, Ohio, second prize, enrolled 24 members.

E. F. Huber, Minneapolis, Minn., third prize, enrolled 17 members.

F. H. Huntting, Sioux City, Iowa, fourth prize, enrolled 13 members.

In conclusion, your Membership Committee wishes to thank each and every one of you who has had part in making the 1921 campaign a big success. Let's all put our shoulders to the wheel in the next campaign to "put it over big."

REPORT OF COMMITTEE ON MERCHANT MARINE

THE Merchant Marine has filled a long felt want as applied to export grain, giving us increased ocean tonnage and facilities for reaching all ports on the face of the globe where there may be a demand for our grain and other products. The Shipping Board has been willing to consider the loading of steamers in all directions, provided the ocean rates justified same.

In former years we were practically limited to foreign liners and tramp steamers, most of which loaded for specific ports, and in order to obtain ports outside of the regular channels it was necessary to charter full cargoes. The markets of the world have been thrown open to a far greater extent than ever before by the working of combination cargoes of grain, flour and other products.

The only criticism that can be made is in regard to conferences which have been and are regularly held with the agents and operators of foreign steamship lines, the purpose of same being the upholding of ocean rates to protect the merchant marine from loss. The Shipping Board in doing this is also protecting the interests of the foreign ship owners and it stands to reason that the higher these rates are maintained, the less money will the farmer get for his grain.

The Merchant Marine should stand on its own bottom, and if the foreign steamship lines are willing to take lower rates to Europe, they should be allowed to do so, without reference to a conference which has all the earmarks of a monopoly in restraint of trade. In other words, the competition among ocean carriers should be open and untrammelled, based on the law of supply and demand. During the past few weeks foreign steamers have been lying around the various ports waiting for freight, bound by conference rates which prevented them from making concessions, by taking cargo at reduced prices and getting their steamers turned around quickly.

The purpose of the Merchant Marine is, I believe, to further American trade in foreign countries and should, therefore, be in a position to compete with foreign tonnage. Competition should exist between our Merchant

Marine and foreign steamship lines or tramp steamers, which would enable us to get as much as we can for our products on this side, by taking advantage of the low steamer rates which foreign owners are sometimes willing and sometimes compelled to take. During the past few weeks British and other steamers have been willing to take reduced rates, but could not do so, being under obligation to maintain rates, as stated above.

REPORT OF ARBITRATION COMMITTEE NO. 2

ARBITRATION Committee No. 2 of this Association handled since the last meeting 20 cases, involving approximately \$25,000. A great many cases should never have gone to this Association for arbitration, as the matter in contention was such that they could easily have been adjusted between the parties interested. We find that in a great many cases the papers are burdened with considerable evidence and detail that really has no direct bearing on the case when submitted to an arbitration committee.

We also have found that in several cases presented to us the exchange of telegrams covering the trade were in code, without being decoded. We believe, however, that Secretary Quinn has taken such action as will eliminate any occurrence of this kind in the future. You must understand that it requires a great deal of time to go over the evidence without being called upon to decode messages. Personalities between litigants have been written into the evidence in several cases. We are going to request members of the Association to eliminate anything of this kind in the future. It can have no bearing on the case whatever and merely has a tendency to create ill feeling between those involved.

We are going to suggest to you to be as brief as possible in preparing cases. A rehash of previous transactions, we think, should be eliminated. You must understand that conditions at variance with the rules of this Association, or to or from the markets in which the commodity is sold can have no bearing on the point at issue.

I think that I can safely say that my Committee is very glad to receive at all times whatever cases the secretary may send to us for arbitration. We gladly do everything we can for the adjustment of disagreements between members of this Association, and would ask you to take kindly to any criticisms or suggestions that we have made.

REPORT OF ARBITRATION COMMITTEE NO. 3

ARBITRATION Committee No. 3 submits the following report:

Number of meetings held during the year, two.
Number of cases decided, 17.
Number of cases dismissed, six.
Total amount of awards granted on the other 11 cases, \$16,250.4.

Number of cases on docket at present, six.
All decisions are rendered at the meetings of the Committee.

We desire to impress on the members of this Association that grain contracts are not instruments to be bent to suit the position one may be placed in when radical changes in the market occur. Also, when changes are made verbally or by telephone in contracts members confirm them by letter at the time such changes are made. Many litigants lost their cases because of such carelessness, thereby costing them hundreds and in some cases thousands of dollars.

In conclusion, watch your contracts, study our trade rules and if you slip stand like a man and bear it.

REPORT OF ARBITRATION COMMITTEE NO. 4

AT THE beginning of the present fiscal year G. E. Patteson, Memphis, Tenn., was chairman of the Committee, E. Wilkinson, Birmingham, Ala., and E. W. Crouch, McGregor, Texas, were the other members of the Committee. This original Committee passed on one case only. G. E. Patteson then resigned from the Committee. E. W. Crouch was then appointed chairman of the Committee by your president and C. E. Munn, Little Rock, Ark., was appointed as the other member of the Committee.

This latter Committee has rendered decisions in 15 cases. Out of these 15 cases the Committee denied the claims of the plaintiffs in eight cases. In the other seven cases the total awards rendered amounted to \$2,549.30.

Most of the cases presented to the Committee were done so with papers in good shape for handling. Some cases that were presented, however, involved so many issues, counter claims, offset claims and matters foreign to the real questions at issue that they were burdensome to handle.

President Clement urged upon our Committee the necessity of passing upon all cases as promptly as possible after the cases were presented to us. Also he urged that the cases be handled in a committee meeting when at all practicable. However, as the cases came to us during the year it was practicable to hold one meeting only. At this meeting, which was held in Birmingham, seven cases were disposed of. The other eight cases were handled by mail.

It is the belief of your chairman of Committee No. 4

that it is never wise for cases to be handled by mail when it is possible to handle the cases in a committee meeting.

The only way to make this expedient would be by giving each committee enough cases at one time to warrant the holding of a meeting of the committee. I realize that this would entail a little more expense, but I am convinced that the service rendered at a meeting of the committee is more valuable than the service rendered in handling cases by mail. It has been my experience that decisions rendered by mail are usually "one man" decisions to a large extent. That is, when a case is written up by one member and forwarded to the other members for their approval, the other members do not always give the case anything like the personal attention that they would give it at a meeting of the committee. Many of the cases were very complex in their nature and required the most careful consideration in order that an equitable decision might be rendered. On the other hand, some cases came before the Committee in which a plain "lay down" on contract on the part of the defendant was so self-evident that it was almost inconceivable that a grown man would allow such a case to go to a committee for decision.

REPORT OF ARBITRATION COMMITTEE NO. 5

DURING the year our Committee has passed upon 16 claims ranging in amounts from \$90 up to \$591.16. Some of these came to us upon appeal from state associations; appeal was taken from our decision in two other cases and on those two cases our decisions were



CHICAGO'S GENIAL WEIGHMASTER

sustained. The total amount involved in 13 cases handled represents \$3,576.07. We passed upon two cases wherein no amounts were set up. We handled one case wherein the legal points involved did not seem to warrant action by our Committee and upon our recommendation that case was withdrawn.

Eleven of our findings were in favor of plaintiffs and three were for defendants. One case was closed by a division of amount involved, as result of counter-claim made by one of the litigants. Two claims recently filed are now upon our docket and are due to receive early attention. Our Committee has worked together with the utmost harmony and each member has proven his readiness at any time to respond to call of the chairman in order that our work should not lag; but be expedited to the greatest possible extent.

Growing out of our experience with the cases in question, we would respectfully submit for consideration the following amendments to certain of our trade rules:

1. Create Paragraph 3 to Rule 23 or some rule of similar import, the said Paragraph 3 to read as follows:

When Grain is sold "Federal Grades" and no market designated, "Federal Grades" shall mean that inspection by Federal Inspector in or nearest to the market of seller shall prevail.

2. Rule 17 concludes with the word "seller" followed by a period. Our recommendation is that a comma should be substituted for the period, and that the following shall be added:

—including all loss which may result from "Blind Billing" upon the part of the seller, or such manner of instructions to carrier as shall prevent carrier from giving immediate notice to buyer on arrival of goods at billed destination.

3. There seems to be confusion with reference to the

meaning or application of Rule 32 and we would recommend that it be rewritten to read as follows:

RULE 32 (a).

When contracts are made basis the designation "a carload," the word "carload" shall be held to mean bushels as follows:

Wheat —; Shelled Corn, Milo, Kaffir, and Feterita —; Ear Corn —; Rye —; Barley —; Oats —.

When contracts are made basis a given number of "carloads" the quantity deliverable shall be held to mean such multiple of "a carload" as shall correspond to the number of carloads specified by the contract; and not otherwise unless otherwise specified by the contract.

Provided, that where the rules of carriers lawfully on file with the Interstate Commerce Commission or State Railway Commissions provide for minimum carload weights in excess of the above such minimum weights shall constitute a carload within the meaning of this rule.

(b)
When contracts are made basis the designation "capacity carload," with no figures preceding to fix the quantity which seller shall load, seller is privileged to load such quantity as best suits his convenience.

4. Also we would suggest that Rule 33, which has reference to Grain in Transit, be amended, so that, as amended it would read as follows:

Grain shipped prior to the date of sale cannot be applied on contract without the buyer's consent; and buyer's consent must be obtained as a first requisite in any move seller shall make toward diversion of Grain in Transit to apply upon a given contract when the shipping date (or contract shipping time as written into that contract) shall have passed, or expired.

We urge upon the Association the fact that, being a Committee handling largely Southwestern claims, we regard as wholly necessary some such rule changes or amendments as we have suggested, believing that an absence of specific wording in the case of some of our rules contributes to individual interpretation, the result of the environment of those who serve our Association as arbiters.

It is wiser to have trade rules so literal, and so sure of but one interpretation, that all who run may read; rather than that in various cases our settlement of trade disputes shall rest upon precedent.

REPORT OF ARBITRATION APPEALS COMMITTEE

THE work of the Appeals Committee for the past year has been the heaviest of any year of the history of the Association, as shown by the following statistical report.

| | |
|-------------------------------------|--------------|
| Meetings held by the committee..... | 3 |
| Oral hearings held | 1 |
| Number of cases considered..... | 25 |
| Amount of claims | \$ 16,954.77 |
| Amount of counter claims..... | 13,055.30 |

Total amount considered

| | |
|-----------------------------------|--------------|
| Lower Committees sustained | 17 |
| Cases revised and rendered..... | 4 |
| Cases remanded for rehearing..... | 1 |
| Cases reversed | 3 |
| Amount of smallest claim..... | \$ 136.99 |
| Amount of largest claim | \$ 11,675.70 |

There were involved in these cases 51 litigants, and from 18 different states, there being no cases appealed from the Eastern Seaboard states, or from the South-eastern territory.

It may be of interest to the membership to know that we have had cases involving the following different commodities: wheat, shelled corn, ear corn, milo maize, White oats, Red oats, Canadian oats, mill feed, cotton seed meal, bran, red top cane seed, and demurrage cases.

We wish, as has so often been done before, to impress upon the membership the absolute necessity of a familiarity of our Trade Rules, and we would especially emphasize the value of the one issue of "Who Is Who," just succeeding the annual convention, wherein is printed in full all of our Trade Rules, with any changes made at such convention, and we would also call to your attention the very great value of Volume No. 1, of Arbitration Decisions, which can be secured from our secretary, and we would strongly advise that a copy of each of these be constantly upon the desk of the executive officer of each member firm of this Association, both direct and affiliated.

We feel sure that when a trade difference comes up in the course of business, a reference to these two volumes will be a very great help to either party implicated, and you will thus secure information that will eliminate many of the cases now sent for arbitration, and thus enable you to save much expense, time and perhaps the loss of good connections that are often hard to reckon in monetary values.

We have had some cases before us where the acts of brokers, used in the consummation of trades are involved, and often these brokers are not implicated in the cases. Our Trade Rule defining a broker and his responsibility is very clearly set out and we would caution our members to very carefully check these confirmations with the authority given brokers and see that troubles are guarded against before they become hurtful. A broker is a very useful agency in the marketing of commodities, and works on such a small margin that his authority to bind his principal must of necessity be very limited, and only to the extent authorized. Therefore when disputes do arise, carefully consider his authority to bind his principal before asking him to commit himself in your behalf.

Such changes in our Trade Rules as we have deemed advisable, we have referred to the Trade Rules Com-

mittee for their consideration. We would make the following suggestions on some of the sources of trouble that we encounter.

Capacity Cars

We strongly advise against making contracts "capacity cars," for the obvious reason that nobody can tell just what is contemplated in such a trade or term, and this is a continual source of trouble.

Telegrams

We often find where dealers are careless in wording messages, and use language that is susceptible to different meanings, especially if they be punctuated upon receipt, a comma placed before or after certain words in the message would change the terms very much, therefore we would caution extra care in these matters.

Accumulating Cases

We hardly think it fair to our arbitration committees that litigants allow trade differences to accumulate until a large number of cars are in dispute and then to incorporate all of them into one case, especially where many different points of differences are involved. As an illustration, our committees handled one case the past year where 50 cars were involved and several different Trade Rules had to be considered.

Briefs

While arbitration committees have no objection to litigants securing the services of attorneys at law in preparing briefs and arguments for them in their litigation, we would ask that they be made as brief as possible to bring out the essential points. It seems to be a most universal custom for our legal professional men to make so many repetitions of the same point that it becomes tiresome at times to have to read the arguments that oftentimes could have just as well been more brief. It is readily understood that there is a vast difference in presenting a case before an arbitration committee composed of practical men schooled in the same business as the litigants than before a jury in the civil courts made up of men of various vocations.

Again we would say read and study our Trade Rules, and when you have a threatened arbitration, or trade difference consult the book of arbitration decisions.

TRADE RULES CONCLUDED

The President: We will now finish the report of the Trade Rules Committee, Mr. Watkins.

Mr. Watkins: This is a discussion of Rule No. 38, to which New England particularly has taken exception, a rule dealing with conditions guaranteed upon arrival, adopted at the St. Louis convention two years ago. A special committee composed of the Trade Rules Committee, the Arbitration Appeals Committee and Mr. MacDonald of Boston, met this morning, and made a substitute rule. (Proposed substitute read.)

Mr. Green: I move the adoption of the section as read.

Mr. Goodrich: I will second it.

Mr. Cole: What does it mean when it says you shall notify the shipper within 48 hours? The former rule gave us 48 hours to inspect the car and notify him by wire. There is a chance for considerable difficulty there. Does it mean, if I have a car of corn, and I do not get the notification to you within 48 hours of the time it arrives, I lose my guaranty?

Mr. Watkins: That is the way it reads.

Mr. Cole: Then I would not be in favor of it. If we had 48 hours to inspect, and then wire, I think that would be proper.

Mr. Watkins: You inspect the car and report it in 48 hours. I think that is all right, if you wire immediately after inspection.

Mr. Riley: Won't that place the burden on the seller to take care of the demurrage if the whole 48 hours is consumed in the investigation and the wiring to the seller?

Mr. Watkins: I assume it would. Very often they are held longer than that. This rule is made to prevent the detention at the diverting point for an unusual time. You say it puts it on the seller?

Mr. Riley: The seller would be compelled to pay demurrage that might follow notice that has consumed all the free time in getting the notice to him.

Mr. Watkins: This rule doesn't change the seller's position in the least. We are endeavoring to protect the seller's interest in this rule. This provision is in favor of the seller.

Mr. Goodrich: It does not provide that the buyer shall consume the whole 48 hours, but he shall within the 48 hours wire.

Mr. Riley: But there is another rule with reference to wiring, if he cannot get notice within 24 hours from the time of the inspection by writing. I know a wire is necessary if you cannot get to him a written notice within 24 hours.

Mr. Watkins: I will read the whole thing. It may be these things are taken care of in some of the other sections.

Mr. Green: I think when you study that, in connection with the old rule, you will see the benefits both to the buyer and to the seller. I think this covers the needs of both.

Mr. Bissell: I do not see the necessity for the interjection of one clause, that is, on grain sold f. o. b. shipping point. I do not understand it makes any difference in the guaranty. Why shouldn't it be the same if you sell the grain f. o. b. destination or f. o. b.

shipper's point? I cannot understand why there is any difference.

Mr. Hutchinson: We have this trouble with the country shippers in the Central West. There is a practice of selling grain f. o. b. their station to track buyers and those track buyers in turn sell it East, or maybe to another track buyer, and to protect that country shipper, we ask that this be placed in here. It protects him, it protects the track buyer, the middleman between New England or any other purchaser and the country shipper.

Mr. Bissell: Our transactions are based on a delivered rate, and I cannot see why it is necessary to limit the provisions of this guaranty to trades that are based f. o. b. shipping point. I think that clause should be stricken out.

Mr. Watkins: The present rule reads this way without that condition, and that is what the New England trade are trying to eliminate from the rule, and we are trying to incorporate provisions to protect the shippers. I believe we have done the best there that we could do with the time at our disposal, but it maybe is not yet in the proper shape.

Mr. Bissell: I will move an amendment that the words "on grain sold basis f. o. b. shipping point" be stricken out of the rule.

Mr. Hutchinson: I would oppose striking it out. It, of course, is for the convention to say.

Mr. Cole: I will second the amendment, to get it before us. There are many sales made by country shippers selling through track buyers. That provision was originally put in to protect that class of trade. Now, we are eliminating that entirely in the



FRED WATKINS GIVES A RULING

other provisions placed in the rule, and we replace it with this provision.

Mr. Goodrich: Where would the track buyer come in? You have no guaranty after it leaves the shipper's station, and that would not be fair.

Mr. Watkins: It is a matter of drawing your contract. We cannot cover every guaranty that is made.

Mr. Bissell: I think your present rule covers it in all cases.

Mr. Riley: It occurs to me, as a representative of the country shippers, or original shippers more largely, that this old rule is a very proper rule. If he is ordered to ship the car to Buffalo, that ends the right to divert by virtue of that contract. He definitely sold subject to the rules and regulations of a definite market, and he is shipping to that market. This new rule gives them the further privilege of moving it out of that market and sending it elsewhere, and whatever hazard comes from the change in the rule falls to him. He doesn't know in the beginning where it is going. I think the old rule should stand as it was, and from the original shipper's standpoint, I would resist the proposed modification of that rule.

Mr. MacDonald: I think Mr. Riley's situation is well protected in a latter provision, which specifies clearly that the guaranty extends to the point to which the rate is made. His liability is in no way increased, and I think that rule carefully protects track buyers, western shippers and the eastern buyers.

Mr. Baringer: We in Philadelphia buy on Philadelphia basis, and may ship to New York, a short distance, but we would lose our guaranty.

Mr. Goodnow: I think it is simply a question of how you make your contract. When we buy for Boston, base point, we want the privilege of sending it there, and when we buy to Buffalo base point, the shipper's liability ceases at Buffalo.

Mr. Riley: I move that the amendment relating to that second diversion be laid upon the table.

The President: The amendment was to strike out

these words, "f. o. b. shipper's track," and this is to lay that on the table.

Mr. Riley: I would like the original rule to stand, and I seek to lay on the table that amendment that seeks to change that rule.

Mr. Pollock: I will second the motion to table. (Motion to table amendment carried.)

The President: The original question is now before us. Those in favor of the rule as read make it known. That means the entire rule as proposed by Mr. Watkins, chairman of this Committee. (Motion to adopt rule carried.)

The President: We are now ready to hear from the chairman of the Feed and Grain Joint Committee, E. C. Dreyer.

REPORT OF FEED AND GRAIN JOINT COMMITTEE

AT YOUR last meeting held in Minneapolis on October 13, 1920, there was a meeting held of the joint grain and feed interests and at that time the lack of rules governing transactions in feed seemed to be the chief topic of interest, this owing to the fact that there were a great many controversies over transactions in feed, simply for the reason that the absence of any rules made buyers and sellers place their own interpretation on feed contracts, which resulted in deplorable losses, lawsuits and controversies throughout this entire country.

The feed business is one of the largest industries in the United States today. Can you think of any intelligent set of men, whose dealings in feedstuffs amount to millions of dollars each year, not having some set of fixed rules to govern their trades? With this end in view resolutions were placed before your convention which resulted in the appointment of a Feed and Grain Joint Committee, which was to consist of 10 members, five feed dealers and five millers, with a view to formulating rules and regulations governing transactions in feedstuffs. The members of this Committee were selected from different geographical locations for the sake of incorporating various problems of the various sections into these rules.

Each large primary market, or each different location, has different problems to contend with. This Committee was duly appointed; each member of the Committee drafted what, in his opinion, would be an equitable set of rules. This after careful thought on the part of each member. After this had been accomplished, your Committee, together with a committee of the Millers National Federation and a committee of the United States Feed Distributors, appointed for the same purpose, held a joint meeting in Chicago on March 11 and 12, 1921. These committees after a two days' session drafted what, in their opinion, was an equitable set of rules.

These rules have been published on numerous occasions by the various grain and milling journals of this country for several reasons, amongst them that of inviting criticism by the entire feed trade of the United States. These Committees realized that no set of rules could be made absolutely perfect on first thought. These rules were then presented before various bodies for adoption. Several members of your Committee attended different conventions during the year, with a view to having these rules presented with the result that the St. Louis Millers Club, the St. Louis Merchants Exchange, the Missouri Grain Dealers Association, the Illinois Grain Dealers Association have so far adopted these as regulations instead of rules, thereby enabling them to modify or change these rules as same are finally perfected.

These rules were also placed before a meeting of the Board of Directors of the Millers National Federation held in Chicago on April 18, 1921, and were referred back to the Feed Committee for further consideration, and will come up again at a meeting of the Federation to be held the latter part of this month.

Your Committee realizes the fact that it is utterly impossible to immediately compile rules that are 100 per cent perfect. It is a known fact that no organization has ever perfected a set of rules at first thought, nor has it been possible to enact laws that were 100 per cent perfect at their inception. It requires time and trial to enable anyone to iron out the kinks.

These three committees held another joint session yesterday forenoon, together with an open or public meeting held in the afternoon here in Chicago, at which time these rules were further corrected and amended, covering suggestions offered in these all-day meetings, now feel that they have perfected these rules to as nearly perfect as it is possible to perfect them at this time, and urges upon you to adopt these rules in their entirety. Each word of every rule has been carefully weighed. The adoption of part of these rules with an elimination of other portions would not accomplish the purpose for which they are intended, for these rules practically dovetail one into the other.

While these rules differ to an extent with your grain rules, it is the consensus of opinion that they should be adopted as drafted. Grain rules should not govern transactions in feedstuffs, for they are entirely separate commodities, handled in an entirely different manner, feed being either an offal or manufactured article, while grain is a raw material. By having a set of feed rules your Arbitration Committee can more easily settle controversies, for we have covered almost every contingency that may arise.

As before stated, there have never been any feed rules, and we feel satisfied that after a fair trial of

these rules that only minor changes will be necessary, and these from time to time. As various problems present themselves, different sections can add or incorporate one or more rules to cover any problem of their own localities that may not be incorporated in these.

Quite a few grain exchanges are now advertising these rules with a view of adopting same. This will then eventually insure uniformity in trade rules.

These rules will certainly fill a long felt want, and, gentlemen, may we, therefore, ask that you adopt these rules as suggested by these committees, for which we thank you in advance.

Mr. Dreyer: Our Committee adopted these rules, and yesterday the Feed Distributors Association adopted the new rules. Some corrections and modifications were made. Rule 12 was eliminated. The millers, feed jobbers and brokers have had an opportunity to co-operate in this work. This is not the result of one or two meetings, but of one and a half years' of continuous labor on the part of these committees from all sections of the country. You will remember this Association last year in Minneapolis appointed a committee consisting of five millers and five feed jobbers. One of the members, Mr. Crocker, of Washburn-Crosby, who was also chairman of the Millers Feed Committee. The United States Feed Distributors Association appointed a committee, the Millers National Federation appointed a committee, and these three committees formulated a set of rules of their own. After several months, of that work, we held a joint meeting of these three committees. We spent two days on these rules. After that, there were a number of criticisms from different sections of the country, and these were considered at another meeting. Then Monday of this week, with delegates here from all sections of the United States, including the millers, feed jobbers and brokers, we went over them again. The committees met Monday morning and discussed these, changed some and eliminated one. The afternoon of Monday was devoted to an open session where all of the feed interests were invited to come. These rules were discussed in this open meeting held under the auspices of this Association. They were threshed back and forth, and finally unanimously adopted. Yesterday the Feed Distributors had a meeting and they also adopted these rules. The whole set of rules has been adopted by the St. Louis Merchants Exchange, the Omaha Grain Dealers, Illinois Grain Dealers, Illinois Southern Millers Association, so far, but they adopted them as regulations only, owing to the fact that we might want to make some minor changes, and they could change them as regulations but not so easily as rules. The Grain Dealers Association has no set of rules governing feed transactions. In the absence of that it has been a proposition of applying grain rules to feed controversies, which is not practicable. In the event of there not being a feed committee, a feed controversy came before the Arbitration Committee, the Grain Dealers National Association would have fixed set of rules to govern them. As it stands now, you have a little something of a little smattering of rules governing it. If you would eliminate any mention of feed in your present rules and adopt these rules as recommended by these various interests, you would have something with which to start. We need rules in the feed trade. We have been going along in a slipshod way, and every man has placed his own interpretation on the contracts. We do not say these rules are 100 per cent perfect, but we say they are as nearly perfect as is possible after a year and a half of thought. If you try to cut these up, they will be of little value, because one rule dovetails into another. I hope you will not eliminate what appears to be a pretty fair set of rules agreed upon by feed jobbers and millers throughout the United States. If there is a particular rule that does not meet with the approval of a certain miller, or jobber, he can specify otherwise, but in the absence of specifications, these rules will govern, and this is something we sadly need in this country.

The President: We will now have the rules read.
(Mr. Robert Beatty of Minneapolis reads rules.)

NATIONAL TRADE RULES COVERING TRANSACTIONS IN FEEDSTUFFS

Rule 1—Trade. It shall be the duty of both buyer and seller to include in their original articles of trade, however conducted, the following specifications:

Number of sacks, tons or ears; kind and grade of feed; price; rate basing point; time of shipment; terms of payment.

Rule 2—Confirmation. (a) It shall be the duty of both buyer and seller, not later than the close of business day following date of trade, to mail, each to the other, a confirmation in writing (the buyer a confirmation of purchase and the seller a confirmation of sale), setting forth the specifications as agreed upon in the original articles of trade. Upon receipt of said confirmation the parties thereto shall carefully check all specifications named therein and, upon finding any differences, shall immediately notify the other party to the contract by wire or telephone, and confirm in writing, except in the case of manifest errors and differences of minor character, in which event notice by return mail will suffice.

(b) When a trade is made through a broker, it shall be the duty of the broker, not later than the close of business day following date of trade, to send a written confirmation to each of the principals (to the buyer a confirmation of sale and to the seller a confirmation of purchase), setting forth the specifications of the trade as made by him. Upon receipt of said confirmations, the parties thereto shall carefully check all specifications named therein and, upon finding any differences, shall immediately notify the other party to the contract

by wire or telephone, and confirm in writing. In default of such notice the contract shall be filed in accordance with the terms of the confirmation issued by the broker.

Rule 3—Brokers. (a) A broker is one who is engaged for others, on a commission basis, in negotiating contracts relative to property, with the custody of which actual or constructive, he has no concern.
A person is not a broker—

First: Who has possession and absolute control of merchandise shipped to him to sell and collect the proceeds. (Therefore, a commission merchant, to whom feed is consigned for sale, is not a broker.)

Second: Who receives a salary instead of a commission or brokerage.

Third: Who acts for one principal to the exclusion of all others.

(b) A broker has power to bind his principals only to the extent of his instructions, and the principals are not liable for any acts of the broker in excess of such instructions.

(c) A broker, who in good faith or otherwise exceeds his authority, is liable for resulting damages.

(d) A broker who negotiates a contract without disclosing his principal's name is responsible as principal until the real principal's name is given and accepted by the other party.

(e) A broker, who in good faith negotiates a contract which is in accord with instructions from both his principals, who at the time of negotiations advises each principal the name of the other, and who completes such negotiations in accordance with the rules and customs governing such transaction, thereby fulfills all his obligations and has no further liability to either of his principals, unless otherwise agreed. The contract so negotiated is valid and binding between the buyer and seller, the same as if it had been negotiated directly between them.

(f) Brokerage shall be credited when contract is accepted by principals to the transaction, unless otherwise specified.

Rule 4—Bills of Lading. Bills of lading attached either to invoices or to drafts shall be original and negotiable, and in conformity with the specifications of the contract on which the shipment is to apply, and shall be signed in accordance with rules of carriers. Any loss resulting from irregular or incorrect bills of lading shall be paid by the seller.

Rule 5—Demurrage and/or Additional Charges. The seller shall be liable for any demurrage and/or additional charges accruing on feed billed to "shipper's order," when such charges can be shown to have accrued by a reason of the inability of the buyer, through act of seller or his agent, to get possession of the bill of lading, whenever said bill of lading is necessary to furnish disposition.

Rule 6—War Tax on Freight Charge. On all feeds sold at a delivered price it shall be the duty of the seller to pay the Federal Freight Tax. The buyer shall pay such Federal Freight Tax where feed is sold at a price f. o. b. shipping point.

Rule 7—Carload. A carload shall be forty thousand (40,000) pounds, unless otherwise specified at time of purchase; provided, that where rules of carriers lawfully on file with the Interstate Commerce Commission or State Railway Commission, provide for minimum carload weights in excess of the above, such minimum weights shall constitute a carload within the meaning of this rule.

Rule 8—Maker of Feed. (a) A sale of feedstuffs by any miller or manufacturer shall mean goods of his own manufacture, brand or equal in every particular, unless otherwise specified at time of sale.

(b) Durum wheat by-products shall not be deliverable on contracts for wheat feeds unless so specified.

Rule 9—Origin of Feed. (a) A sale of feedstuffs shall not of necessity mean that the feedstuffs will originate at the home address of the seller. If at the time of sale buyer requests origin, seller is obliged to give same by zones, as follows:

Zone No. 1—Shall mean either Kansas, Nebraska, Oklahoma or Texas.

Zone No. 2—Shall mean either Missouri, Illinois, Iowa.

Zone No. 3—Shall mean either Indiana, Ohio, Michigan, Kentucky, Tennessee.

Zone No. 4—Shall mean either Minnesota, Wisconsin, North Dakota, South Dakota, Montana.

Zone No. 5—Shall mean either Colorado, Utah, Wyoming, Idaho, Oregon, Washington, California.

Zone No. 6—Shall mean either New York, Pennsylvania, Virginia, Maryland.

(b) A sale of feedstuffs contemplates shipment from mill on or after date of sale, unless otherwise specified.

(c) The differentials in freight rates shall be those in effect on date of sale from seller's business address, unless otherwise specified.

Rule 10—Privileges. In all delivered sales to any terminal markets, the point specified shall be considered as a rate basis only and not necessarily final destination of goods, and shipment shall be made to any point via any line open for business designated by the buyer which is reached by lake or lake-and-rail lines during the season of navigation, or by all-rail trunk lines at other times, at the differential in effect at the time of sale, as shown by published tariff notes, provided shipment is made within contract time and provided further that such routing is in accord with transit arrangements of shipper.

Rule 11—Definitions. In the absence of agreement to the contrary, definitions of feedstuffs shall be the same as those adopted and promulgated by the Association of Feed Control Officials of the United States.

Rule 12—Packing. (a) It shall be understood that all feedstuffs when sold in sacks shall be packed in new bags, unless otherwise specified at time of trade.

(b) The weight of packages shall be net when packed and two thousand (2,000) pounds net shall constitute a ton.

Rule 13—Shortage, Damage and/or Overcharge. All claims for shortage, and/or damage shall be made by the receiver within ten (10) days after arrival, and must be accompanied by paid expense bill with railroad agent's negotiations as to damages; likewise condition of equipment and seals. Upon receipt of complete papers covering freight overcharges on delivered sales seller shall immediately reimburse buyer. If buyer does not comply with these provisions, seller will undertake to collect claim for account of buyer.

Rule 14—(a). Immediate or Rush Shipment shall mean shipment within three (3) calendar days from the date of receipt of shipping instructions, including day instructions are received by seller.

(b) Quick Shipment shall mean shipment within seven (7) calendar days from the date of receipt of shipping instructions including day instructions are received by seller.

(c) Prompt Shipment shall mean shipment within fourteen (14) calendar days from the date of receipt of shipping instructions including day instructions are received by seller.

(d) Unspecified Shipment. Where shipment is not specified prompt shipment is understood.

(e) Loaded, Spot, Instant, or on Track shall mean

that the goods are actually loaded and ready for billing, and the lading must be dated on the day of sale.

(f) In Transit shall mean that the lading must be dated at least one day prior to date of sale.

(g) Deferred Shipment. In the purchase and sale of feed for deferred shipment the following specifications shall govern:

Where a specific number of days is not specified in contract, but the time is referred to as first half or second half of a given month, it shall be understood that up to midnight of the 15th shall be considered the first half (this including February), the remainder of the month to be considered the second half.

(h) The date on original bill of lading, from point of origin, as shown on exchange bill of lading, shall be accepted as the original date of shipment; provided the shipment originates in the zone specified.

(i) Season Shipment. Season shipment shall mean shipment any time, at the seller's option, between the date of sale and December 31 of the current year, inclusive.

(j) On all shipments the date of issuance of bill of lading, signed by the agent of the railroad issuing same, shall be conclusive evidence of date of shipment, unless conclusive evidence to the contrary can be shown.

Rule 15—Directions. Unless otherwise agreed, all sales are understood to be for shipment at seller's option. Specifications on sales for immediate or quick shipment must be furnished at the time the transaction is closed. On sales for prompt shipment specifications must be furnished within three (3) days from date of the transaction. On sales for longer period specifications must be furnished by buyer within three (3) days after demand by seller, and in any event at least ten (10) days prior to expiration of the contract, whether such specifications have been demanded by seller or not. In the event buyer fails to furnish specifications as required under these rules, or violates any of the other terms of the contract, seller shall have the following rights:

(a) To resell goods in the open market for buyer's account, buyer to pay seller the loss incurred; or

(b) To retain goods, buyer to pay seller difference between contract price and market price, in event of market price being lower, and also in addition thereto such actual expense as shall have been incurred; or

(c) To cancel the contract or any unshipped portion thereof.

(d) Seller must notify buyer within twenty-four (24) hours after expiration of contract which one of the above rights he elects to exercise.

(e) It shall be the duty of seller, without demand, in event of default of contract, to notify buyer of that fact by wire or telephone prior to noon of day following date of expiration of contract.

Upon failure of seller to ship as required by contract, buyer shall have the following rights:

(f) To cancel that part of the contract upon which there has been default; or

(g) To buy in the open market a like quantity and quality of feedstuffs for seller's account, seller to pay buyer the loss incurred; or

(h) Seller to pay difference between the contract price and market price, if the market price is higher than the contract price, and in addition such actual expense as shall have been incurred.

(i) Buyer must notify seller within twenty-four (24) hours after notice of default of contract which one of the above rights he elects to exercise.

Rule 16—Registration. On sales of feedstuffs the seller guarantees that the feedstuffs shall comply with the laws of the state into which it is sold, including registration and tax, if any, unless otherwise agreed at time of sale.

Rule 17—Refusal of Shipment. Failure to make any shipment in keeping with the terms and conditions of a contract shall be grounds for the refusal of such shipment or shipments and not for the rescission of the entire contract or any other contract between buyer and seller.

Rule 18—Arbitration. In cases of arbitration of disputes resulting from transactions in feedstuffs, where one or both parties to the dispute are members of trade associations or exchanges that have adopted these rules, these rules shall define the rights of the parties and shall be the basis of award.

Mr. MacDonald: I move that this excellent set of rules so much needed by the feed trade be adopted. (Seconded by Mr. Dreyer.)

Mr. McCord: I would like to have any rule that is inconsistent with these be repealed in our constitution and by-laws or our arbitration or trade rules.

Mr. Dreyer: I would like to move an amendment to the effect that these rules be adopted and that any other rules you may have pertaining to feedstuffs be eliminated.

Mr. McCord: I will second the amendment.

Mr. Dewey: I would like to amend by striking out Rule 8. In support of that, I will say that Rule 8 as originally drawn and as it now stands applies only to but one class of the trade, only to the makers of feed and not to others who may handle that commodity, and so it appears to be class legislation, something to which we are all opposed as far as state and national laws go, and to which we should be opposed in our trade rules.

The President: The amendment is lost because of a lack of a second. (Amendment of Mr. Dreyer carried.)

The President: We will now revert to the motion to adopt the feed rules as offered as a whole.

Mr. Dewey: I think Rule 8 is unworkable from the standpoint of the Arbitration Committee, because it provides that the maker of feed, selling feed, if he substitutes any feed of his own manufacture, it must be of an equal quality. It is not practicable and not possible for the Arbitration Committee to determine whether a certain amount of feed is of an equal quality to some other feed which is not before the Committee, of which they have no sample, and know nothing about. You are comparing feed in a certain shipment against an unknown and indeterminate standard. I do not believe it is fair or necessary that a rule should be adopted which applies only to the makers of feed. This rule was drawn more particularly in reference to mill feeds, but still it applies to a miller who is a manufacturer of bran, or middlings, after he sells if he sells these products to a jobber. It also governs every other feedstuff that he may sell. A man might be a manufacturer

of mill feeds, and yet if he sold any other feed not of his own manufacture, he would be compelled to so state at the time of the sale. When you put that in practice you put a burden on the dealer that makes his business practically unworkable. It is a hardship that is not necessary. That rule is most objectionable, and it would be better for the Association to let the question go entirely and keep out of the feedstuff business than to take it up on a wrong basis.

Mr. Dreyer: This particular Rule 8 was discussed very thoroughly in the open meeting Monday. If a miller offered for sale his brand of flour, say "Gold Medal," we contemplate delivery of "Gold Medal." Mr. Ashford of Kansas City, brought up the argument that he may sell five or 10 cars of bran and then he gets mixed car ordered. He thought it would be hard to refuse orders, and he wanted the privilege of delivering something equal to his own feed on contract. The rule was adopted this way which gave the miller, in the event of a breakdown, or if his output comes in mixed cars, the right to give an amount good in every particular, equal in every particular. It does not hold him down to something that is impossible.

Mr. Dewey: This general rule was made to cover a very small part of the feedstuff business. It is bound to work a hardship on the larger part of the business because it not only relates to brans and middlings, but to every feedstuff. (Motion carried.)

The President: I shall appoint an extra committee of feed men to pass on all arbitration cases arising under the new feed rules.

Mr. Watkins: Your motion eliminating mention of feed products in the trade rules will allow a certain class of business now to fall between those sets of rules. There will be conflicts between the Arbitration Committees as to which are which. I move that a rule to the effect that sorted cars containing grain should be subject to the grain rules be inserted. That is to replace Rule 22. (Seconded by Mr. Green and carried.)

Mr. Hutchinson: I would like to introduce a proposed amendment to our Arbitration Rules, Article 7 Section 1, Number 17, add this section: "Samples should not be submitted in evidence, as arbitrators will not act as inspectors or compare samples. If the grade or quality of commodities is in dispute, inspection certificate or other documentary evidence must be submitted." I move its adoption. (Seconded by Mr. Green.)

Mr. O'Bannon: Suppose the sale should have been made by sample?

Mr. Green: That would have to be determined by an official inspector's certificate, saying that in his judgment it was as per sample.

Mr. Hutchinson: Most of the differences come up over damaged grain or feeds, and before this gets to the Arbitration Committee, if in the office of the secretary it is warm, the condition of the samples oftentimes will change and the documentary evidence can be determined by the litigant at the time, and be submitted to the Arbitration Committees. (Amendment of Mr. Hutchinson carried.)

Mr. Riley: There seems to be in the minds of some of us a little confusion as to the effect of the motion I made a while ago during the discussion of the Trade Rules and I should like to have the reporter read just what was said then—the motion, and the way it was stated, so as to clear the matter up.

Mr. Green: I move the whole question of this trade rule matter be re-considered as to Rule 38, and that it be held over for another year. I wish to substitute the old rule for all of these changes.

The President: You are out of order until the request made is complied with. (Stenographer reads his notes covering action in question.)

Mr. Riley: I wish now to move a re-consideration of that vote.

Mr. Green: I will second it.

Mr. Watkins: As chairman of this Special Committee, there were three members of the Arbitration Committee and three members of the Trade Rules Committee, with Mr. MacDonald, who sat in on this matter this morning, and we brought in the best thing we could get together within the time. Since I came into this room, it has occurred to me that perhaps some of the provisions of this rule are in conflict with another rule, and I think we had better think if over pretty thoroughly before adopting it entirely. I think there is something needed here for the relief of the Eastern trade and perhaps the Southwestern trade. (Motion to re-consider carried.)

Mr. Green: My idea about it all is that we cannot act upon a thing that is so vital to so many of our members in a hurried way, and I move that Rule 38 as now printed in our trade rules be left as it is at this time and that the matter be deferred until our next annual meeting and left in the hands of the Trade Rules Committee in co-operation with the Arbitration Committee, to formulate a rule that will cover everything.

Mr. Riley: I will second that.

Mr. MacDonald: I do not want to oppose what is right and fair. Some of our members who thought it was finally settled have left, and it is to be regretted that this matter, started two years ago, and fixed up now, must again go on for another year.

The President: I regret it also. I had hoped this

committee that I appointed yesterday might come in here with a report that would be acceptable to us. (Motion carried.)

The President: Rule 38 as now contained in the Trade Rules remains as it is.

Mr. Green: We were looking for a copy of our By-laws adopted yesterday. We think that in those By-laws that we adopted there was a provision that no change would be made in the Trade Rules without first submitting them to the Arbitration Committees.

The President: Of course, we do not want to violate any of our fundamental laws. There is a suggestion that it would not be in accordance with the laws passed yesterday for us to consider this now. It would have to be submitted to the Arbitration Committees before it could be introduced here.

Mr. McCord: How about the feed rules?

Mr. Green: Those are not grain trade rules.

Mr. Dorsey: When we adjourned yesterday for luncheon, I believe I had a motion pending, and they tell me that nothing was done about that.

The President: That matter has been arranged satisfactorily with the Oklahoma delegation. The matter is going to be handled in another way.

Mr. Dorsey: If it has been arranged satisfactorily to all, I will withdraw.

The President: We will now hear from the committee appointed to draw resolutions on the death of Ex-president Metcalf.

IN MEMORIAM—LEE G. METCALF

Your Committee appointed to submit resolutions on the death of Ex-president Lee G. Metcalf, offer the following:

W H E R E A S, through the manifestations of an All-Wise Providence, Death has removed from our ranks our friend and brother, one of God's noble men, who passed to his final reward at his home in Illinois, Ill., January 3, 1921, Therefore, be it

Resolved: That this Association in convention assembled at Chicago, Ill., October 5, 1921, with great sorrow and affliction, is mindful of the great loss we have sustained by his death.

He was a firm believer in and an untiring worker for the advancement of our organization, and the betterment of the grain trade, and all commercial and social activities that stand for better life and living. Stalwart in mind, intellect, integrity and honor, we relied on him as our guide, our counsellor and our friend. With his wonderful optimism he always strived for the best interests of all mankind; he stood for all that is good and noble and the world was made better through his life.

His memory will ever live in our lives to the end of our time, and even in the Great Beyond.

We deeply sympathize with his family in their sorrow and bereavement; mere formal words cannot adequately express our sympathy for the dear ones in the shadow of their grief and loneliness incident to the passing of this noble man, husband, father and friend. Be it further

Resolved, that a copy of these resolutions be spread on the records of the Association and that a copy be sent to his family.

E. M. Wayne,
J. W. McCord,
W. E. Culbertson,
H. B. Dorsey,
C. B. Riley.

The President: The next will be the Auditing Committee's report, Mr. Goemann, chairman.

Mr. Goemann: Your Auditing Committee reports that they have examined the records of the secretary's office and endorse the report of the certified accountant, that the books show conditions to be as reported by Secretary Quinn.

Mr. Green: I move the acceptance and approval of the report. (Seconded by Mr. Pollock and carried.)

The President: We will now stand adjourned until 2 o'clock sharp this afternoon.



Wednesday Afternoon Session

The meeting was called to order by the president at 2 o'clock.

Mr. Wayne: There was a resolution offered here at one of the earlier sessions perpetuating the Mansfield Committee for another 12 months. I wish to move that this committee be placed in the hands of the Directors of the National Association.

Mr. Goemann: I will second that. I would like

to have added the motion that the action and work of the committee be placed under jurisdiction of the Board of Directors of this Association. (Motion carried.)

RESOLUTIONS

The President: We will now have the report of the chairman of the Resolutions Committee, Mr. Horner, chairman.

COUNTY AGENTS

Whereas, The Smith-Lever Act, by authority of which Federal funds are made available to the respective states for the maintenance of county advisors, explicitly limits the activities of such county advisors to educational and research work; and

Whereas, A great many county advisors are now giving such educational and research work only secondary attention, and are dissipating their time and prostituting the prestige of their official position and exerting their energies in endeavoring to discredit and destroy the legitimate and efficient competitive marketing enterprises of their respective counties and states; and

Whereas, Said county advisors are acting as direct and official representatives of certain trade organizations, and using their time and the prestige and facilities of their office for propaganda for the furtherance and benefit of such trade organizations, and to the detriment of the general public and the attempted destruction of other competitive business enterprises; therefore, be it

Resolved, That the Grain Dealers National Association in convention assembled, demands that the provisions of the Smith-Lever law be enforced, and that all Federal assistance be withdrawn from such county advisors, and that a copy of this resolution be sent to the President of the United States, the Secretary of Agriculture, and each member of Congress.

FUTURE TRADING

Whereas, The system of trading in grain for future delivery in store on official grades established by the several states and by the government of the United States has long been established and well tested under all conditions of commercial life; and

Whereas, Rules and regulations have been adopted by the grain exchanges of the United States in connection with such trading for the protection and benefit of all interests participating in the execution of such contracts; and

Whereas, The unusual economic conditions prevailing during the year did result in the superabundant movement of grain to terminal markets immediately following the advent and harvest of the new crops; and

Whereas, The burden of providing a constant market and demand for this large oversupply of grain rested upon the stability and efficiency of this system of future delivery contracts in giving at all times instant protection in the form of hedging insurance, thus providing a daily and constant attendance of competitive buyers for this volume of ready grain far in excess of daily necessities; and

Whereas, This ever present demand permitted the free movement of grain at times when it was most urgent to country shippers and producers; and

Whereas, This was beneficial to all branches of commercial life resulting in the conversion of produce into money; therefore, be it

Resolved, That we, the Grain Dealers National Association in convention assembled, do unanimously approve and reaffirm our faith and belief in this long established and well tried system of future trading in vogue on the grain exchanges of this country, as the most efficient and economic method of providing a constant and reliable market, and as an agency of distribution beneficial to producer and consumer alike.

Mr. Dorsey: The word "unanimously" in there has brought me to my feet. I do not approve of the resolution. I do not approve of chalk mark gambling or future trading, as I think that prevents the handling of the grain crops on the basis of supply and demand. People with large financial backing can run this market up or down, as they are doing now, especially in stringent money times like this. I am opposed to the resolution as to the system. I believe if the system were wiped out, there would be no wide fluctuation, but there would be a stable basis for the handling and selling of grain. I think it is bad for the trade and is beneficial to none except those who play the game at first hand. I want to say that my remarks as to future trading are my personal views, and I am not speaking in any representative capacity at all. The majority of the Texas association might share my views, and they might not.

The President: I believe you do know, Mr. Dorsey, that they do not agree with you.

Mr. Dorsey: Seventy-five per cent of our members are country shippers, and it takes from 30 minutes to three hours to get a telegram from them, and to get the market, and I stood here October 15 of last year on my way from Minneapolis, and saw the price go up 16 cents in about 15 minutes.

Mr. Bishop: I move the adoption of the resolution. (Seconded by Mr. Horner and carried.)

SPECIAL EXECUTIVE COMMITTEE

Whereas, The Grain Dealers National Association, realizing the necessity of a campaign of publicity to counteract the wave of Socialism that was sweeping

over the country, as to the functions of the grain exchanges, and the valuable services rendered by the country grain buyers, and the various other agencies used in the marketing of the surplus grain of the United States; and

Whereas, President Clement and the Executive Committee of the Grain Dealers National Association called a meeting of delegates from the grain exchanges, state grain dealers associations, and other allied organizations, and after due deliberation and careful consideration by this body, a Special Executive Committee of this Association was authorized to arrange and put into effect a publicity campaign to set before the people of America, in the best possible manner, the services rendered and the aims and aspirations of the legitimate grain trade, as a whole, and invested this committee with the power to solicit the grain trade and allied interests for funds to carry on the work, and do all things necessary to carry this project through; therefore, be it

Resolved, By the Grain Dealers National Association in convention assembled, that we commend President Clement in his efforts in our behalf, and endorse the work already done by the Special Executive Committee.

Mr. Bissell: I feel as a member of the Committee that I should proclaim my position. I did not sign the report because of that particular resolution, which it seems to me too broad. In view of the fact that the convention has already endorsed this Special Committee's action, I would move a withdrawal of that resolution from the list.

Mr. Horner: Mr. Bissell was not present at the meeting of the Committee on Resolutions at the time this was considered and unanimously passed. When it was presented to him, he took exceptions, but the report had already been prepared.

Mr. Goemann: Did not the former resolution to put it in the hands of the Board of Directors take care of that?

Mr. Dorsey: That does not take care of the things already done.

Mr. Bissell: That was taken care of yesterday. I feel like commending the work of the officers and of this Committee, but I think all this work should be reviewed by the Board of Directors, particularly as all this advertising that is being sent out goes out under the name of the Grain Dealers National Association only, and in the eyes of the creditors of this Committee, we would be responsible for whatever debts they have, which I understand are considerable. I think there should be some oversight and supervision of the work of this Special Committee.

The President: I believe this matter has already been taken care of.

Mr. Horner: This resolution does not bind this body to any future action. It simply confirms the

gradual but certain destruction of our most cherished traditions and institutions, and the termination of that wonderful development of initiative and individualism which has been the basis of the most phenomenal prosperity which has ever been witnessed, and which has excited the envy and commanded the admiration of the entire world; therefore, be it

Resolved, By the Grain Dealers National Association in convention assembled, that we deplore and condemn in unmistakable terms the tendency to forsake the precepts of our Constitution, and unalterably oppose any and all intrusion of our Government in business affairs, excepting for the prevention and regulation of monopolies; and be it further

Resolved, That we are unalterably opposed to special or class legislation of any and every kind, and that we



JOS. M. WARFIELD, BALTIMORE, MD.

especially condemn such legislation as the Adamson and Clayton Laws; and be it further

Resolved, That we view with the greatest alarm such combinations of members of our legislative bodies as the so-called "Agricultural Bloc," who are professedly organized for the sole purpose of securing special and professional, legal and financial assistance from the United States Government for the benefit of one specific class of citizens.

Mr. Green: I move the adoption of the resolution.

Mr. McCord: I will second it.

Mr. Dorsey: The words there, "Clayton Law"; what we are striking at is the Clayton Amendment to the Sherman Anti-Trust Law. There is a Clayton Amend-



A FEW OF THE DELEGATES FROM THE BUCKEYE STATE

action of our president in calling the meeting, and the organization at that Cincinnati meeting of the Special Executive Committee.

Mr. Goodrich: I believe I wrote that resolution, but I did not want to pledge the Grain Dealers National Association to any continuance of this. If it so specifies, I would not want to do that.

Mr. Riley: Whose individual obligation is created there? Does this bind all the members or just the individuals?

Mr. Bingham: I believe that carries a considerable financial liability with it.

The President: It is only a pledge as individuals and not as an organization.

Mr. Horner: We might eliminate "and pledge our individual support."

Mr. Bissell: That would be acceptable to me. (Resolution as so amended, carried.)

BACK TO THE REPUBLIC

Whereas, It is generally recognized that the United States is constantly drifting away from the republican form of government conceived by the framers of our Constitution, and gulped by selfish class prejudices and an ambitious bureaucracy, is approaching nearer and nearer a pure democracy, which in the last analysis is nothing but the mob rule of Socialism; and

Whereas, Such departure can mean nothing but the

ment and also a Clayton Law. I do not like, either, the word "democracy." I think it should be "drifting into pure Socialism." I am a state rights Democrat and that is sort of a slur on my belief. (Laughter.) (Motion carried.)

MISREPRESENTATIONS

Whereas, At a hearing of the Interstate Commerce Commission held in Washington, D. C., on August 25, 1921, L. E. Wettling, manager Statistical Bureau, Western Lines, Chicago, testified as to the profits made by country elevators, and gave as his authority for such testimony the preliminary report of the Federal Trade Commission of August 13, 1921, on the profits of country elevators; and

Whereas, Such figures were grossly distorted and misused, as was subsequently admitted on cross-examination; and

Whereas, Such testimony was widely published by the press and disseminated to the innocent public to the detriment of the country elevator operators; therefore, be it

Resolved, By the Grain Dealers National Association in convention assembled that we condemn such misstatements, whether deliberate attempts at falsification or ignorant misrepresentations, as unworthy of the supposed thoroughness and exactness of the head of the Statistical Department of a body of railroads, and that

a copy of this resolution be sent to the chairman of the Interstate Commerce Commission, and also to the American Railway Association.

Mr. Goemann: Add also "to the American Railway Association," so that they will get the resolution, too.

Mr. Horner: We will accept that.

Mr. Goemann: With that addition, I move the adoption of the resolution. (Seconded by Mr. Green, and carried.)

A resolution on the Mississippi Barge line was read.

Mr. Goemann: I do not believe it wise to pass that resolution. For the information of those present, our transportation commissioner had in his original report which was submitted to me, a reference to this waterway and barge line, and Baltimore and Chicago especially strongly opposed the article as written, and, for the information of those present, I had to, as chairman of the Transportation Committee, correct it yesterday. I suggest that resolution be not passed.

Mr. Dorsey: Why?

Mr. Goemann: Because this is a National Association. The eastern people think, if we go on record on that, that we are encouraging a waterway at their expense, and we cannot take sides on local issues. The development of every part of the country must be national, and the transportation department has tried to endorse only those things national in their scope and beneficial to all interests. Some of the organizations might pass such a resolution, but we have here a National Association of grain men, made up of men from the East, North, South and West, and with the objection of some of those members, I do not think we should pass it.

Mr. Green: I think Mr. Goemann's position is well taken, and I think it unwise to pass that resolution.

Mr. Eikenberry: I move that the resolution as read be tabled. (Seconded by Mr. Green and carried.)

FEDERAL RESERVE

Whereas, We recognize the wonderful improvement in our banking system which has resulted from the enactment of the Federal Reserve Law; and

Whereas, We recognize the almost indispensable service of the Federal Reserve in enabling our banking system to function so efficiently and to so successfully meet the problems produced by the chaotic period of the world war, yet we should not blind ourselves to its obvious dangers; therefore, be it

Resolved, That we warn against undue concentration of power over our credit and banking system.

Mr. Green: I move the adoption of the resolution. (Seconded by Mr. Goemann and carried.)

NEAR EAST RELIEF

Whereas, The Near East Relief, especially designated and chartered by Congress to distribute relief in that area, has launched a campaign for 5,000,000 bushels of grain from the farmers of America; therefore, be it

Resolved, By the Grain Dealers National Association in convention assembled that we hereby endorse the work of the Near East Relief and pledge to it our active co-operation and generous support in its great humanitarian endeavors, and to this end we recommend that all elevators and mills collect, receive, elevate and ship farmers' gift grain for the Near East Relief without charge.

Mr. Green: I move the adoption of the resolution. (Seconded by Mr. Bingham, and carried.)

EXPORT DISCOUNTS

Whereas, During Government control of handling wheat when prices were high, practically double present prices, discounts for different or lower grades were arbitrarily increased over the discounts long prevailing under competitive conditions; and

Whereas, The exporters at Gulf ports have continued to apply what is termed the Government discounts of 3 cents below No. 1 for No. 2 wheat, 6 cents for No. 3, 10 cents for No. 4 and 14 cents for No. 5, and as much more as their conscience would permit for sample grade, which we consider unreasonable and unjust, as the same exporters are applying only 2 cents discount between the various grades at some of the control markets; therefore, be it

Resolved, That the Grain Dealers National Association in annual meeting assembled October 5, 1921, request, urge and demand that the exporters discontinue application of this unreasonable and unjust discount which levies an unreasonable burden upon agriculture now already burdened to the full limit under existing conditions, and return to the discounts prevailing prior to Government control on a basis which will fairly represent the difference in the intrinsic or actual value in the various grades.

Mr. Green: I move the adoption of the resolution.

Mr. Horner: I will second that.

Mr. Bingham: Aren't we, as a national association, taking a slap at one particular branch of the business? I do not think that is advisable, and I think you are trying to oppose the law of supply and demand. Those exporters will take as big a discount as they can get. I do not think we should try to fix discounts.

Mr. Horner: This resolution was handed to the Committee in slightly different form. We took the same position as does Mr. Bingham. But, as we understand the situation, a certain group of exporters, practically all in certain markets, have, by agreement, been applying the old Government basis of dis-

counts. It is not a manner of competition or a matter of relative market difference in value, and with that idea in view, the resolution, after it was handed in, was amended as to the last clause. The idea that was conveyed was that we were not trying to establish an arbitrary difference in grades, but to prevent its establishment; that an arbitrary difference had been established and maintained, and that was wrong, and that the grain should be handled on its intrinsic market value.

Mr. Bingham: I did not quite get it that way.

Mr. Bissell: I move this resolution be tabled.

Mr. Bingham: I will second that.

Mr. Eikenberry: This is not national, and I believe the same objection made by Mr. Goemann to the other resolution applies to this one.

Mr. Dorsey: I would like to say a word about this.

The President: A motion to table is not debatable, but I believe Mr. Bissell, the maker of the motion, will yield.

Mr. Bissell: Certainly.

Mr. Dorsey: I prepared this resolution. We think they should desist from discriminating against the Southwest or the Gulf ports. We feel that the Grain Dealers National Association stands for a square, fair deal, that it won't hurt them to express themselves in this matter. We are not getting a fair deal in this, in the Southwest. We are being charged 14 cents a bushel for wheat when it is not worth half as much as it was when the Government differentials were fixed. It is unfair and unjust to the farmer, to the elevator men, to the line house, and to any other person that has prepared facilities for handling grain. If he cannot work the grain up to a certain point, he is unjustly and excessively penalized. If affiliation with this organization is not worth some-

the duty of a great national organization to throw its influence on the side of justice and right in a proposition of this kind. (Applause) I should really feel grieved if we fail in our duty because the exporters are few in number, and they are well organized, and they are good business men, and they do what they wish. And I feel that if we can combine our influence with those of others in the legitimate and perfectly proper proposition of bringing honorable influence to bear on them to have them cease a practice that originated during war time, based on the high level of values, when we now have a very much lower level of values, and these differences are not equitable and just, and I believe, it is certainly our duty to do so. (Motion to table lost.)

The President: We will now vote on the motion to adopt the resolution.

Mr. Riley: It occurs to me that this is very largely a matter that should be handled locally. My amendment would be to this effect, that this convention refer the matter to the affiliated associations for their individual action. Conditions are not the same everywhere. The question comes here in such a way that I believe our state would like to vote separately in its own way as a state association, on it. I would like to move this matter be referred to the respective affiliated associations for their action.

Mr. Bingham: I will second that.

Mr. Beasley: I move the amendment made by Mr. Riley be tabled. (Seconded by Mr. Dorsey and carried.) (Motion to adopt original resolution carried.)

APPRECIATION

Whereas, Chicago has again demonstrated its hospitality and efficiency and good fellowship; therefore, be it

Resolved, That we, the members of the Grain Dealers National Association in convention assembled, hereby express our hearty thanks and appreciation for the splendid hospitality and lavish entertainment extended to our members and ladies by the Chicago Board of Trade, and particularly to the Entertainment Committee who have made our visit a continued round of pleasure. We also extend our thanks to the speakers who have ably and instructively addressed our various meetings.

Mr. Green: I move the adoption of the resolution. (Seconded by Mr. Riley and carried unanimously by rising vote.)

(Past President Goodrich assumes chair.)

Mr. Goodrich: We will now have the report of the Nominating Committee.

REPORT ON NOMINATIONS

Your Committee on Nominations beg leave to recommend to this convention the following names as its officers for the ensuing term:

President, Ben E. Clement, Waco, Texas.

First Vice-President, Fred E. Watkins, Cleveland, O.

Second Vice-President, D. M. Cash, Decatur, Ill.

Directors—Two years: B. C. Moore, Kansas City, Mo.; C. D. Sturtevant, Omaha, Neb.; A. S. MacDonald, Boston, Mass.; F. D. Jackson, Tampa, Fla.; S. C. Armstrong, Seattle, Wash.; Harry M. Stratton, Milwaukee, Wis.; Jesse J. Culp, Warrensburg, Mo.; H. F. McCarthy, Minneapolis, Minn.; Marshall Hall, St. Louis, Mo.; E. F. Brown, Lewiston, Mont.; Robert Ryon, Lansing, Mich.; H. B. Fowler, Charlotte, N. C.; A. J. Ames, San Francisco, Calif.; E. H. Beer, Baltimore, Md.; W. B. Bashaw, Montreal, Que.

Director one year: E. M. Wayne, Delavan, Ill.

Mr. Eikenberry: I move that the report be adopted and that the secretary be instructed to cast a ballot for the officers named.

Mr. Riley: I will second that.

Mr. Goodrich: Are there any other nominations?

Mr. Dorsey: I move the nominations be closed. (Seconded by Mr. Riley and carried.) (Motion of Mr. Eikenberry to accept report carried, and secretary authorized to cast ballot of the Association for the men named and officers of the Association during the ensuing year.)

Mr. Goodrich: I was going to ask some one to escort the President-elect in, but I see he has come back, perhaps for fear some one else would be elected. All I can do now is to turn the gavel over to your new president. (Laughter and applause.)

The President: I will say that I am deeply grateful that you have honored me now for the second time with election to the presidency of this organization. The leadership of a great national organization is a serious responsibility, and I am not unmindful of that responsibility, nor unappreciative of the compliment that you paid me in placing the affairs of this Association in my hands again. I shall endeavor in the future, as I have in the past, so to discharge the duties devolving upon me as to merit the esteem you have manifested, and to confirm the confidence you have reposed in me. The Grain Dealers National Association is growing in power and influence. There must be no diminution in either, and every effort shall be made to increase the one and broaden the other. The Association must make itself, if possible, more effective in promoting the interests of its membership and in supporting the principles of Americanism, in commerce and trade. And, gentlemen, these principles are no less involved in business than in politics. Business is the very life blood of this nation, while government is the artery through which it

flows. It therefore behooves every business organization, no less than political organizations, to guard with zealous care the commercial and industrial and productive freedom of America. Here this spirit of freedom is manifested and animates both, and guarantees of the Constitution insures the perpetuity of that spirit. During the ensuing year I hope I shall have the cordial co-operation and support of every single member of this great national organization, cognizant as I am, and impressed as I am, with the fact that whatever of success attends my administration will depend upon the consistency of your support. I thank you. (Applause.)

Mr. Dorsey: I want to address the First Vice-President, Mr. Watkins, for a moment, and I want to thank him on behalf of the south half of the United States, composed of Texas, for the honor the Association has conferred on our man, Ben Clement, and at the same time I want to congratulate the Grain Dealers National Association on their good sense and judgment in electing him and re-electing him. He is our man. He has been serving with me down there pretty near 20 years in the official family of the Texas State Association, and with all due deference to Mr. Wayne and all these other boys who have served as president, I will say that you may have handsomer men, and men more thought of by the ladies, but you have never had a better man as president of this Association (Laughter and applause).

The President: I cannot help being appreciative of my old friend's cordial remarks, and I am as grateful for them as I can be.

Mr. Riley: I hope we can hear something from Mr. Watkins.

Mr. Watkins: I appreciate this honor you have conferred upon me the second time. I assure you the honor is appreciated. I know we will have your loyal support through the coming year. The duties of vice-president rest rather lightly upon our shoulders when we have such an efficient man as chief (Applause).

The President: Is there any new business to come before the convention? If not, the chair will entertain a motion to adjourn.

Mr. Wayne: I move we adjourn. (Seconded by Mr. Goemann, and carried.)

The convention then adjourned *sine die*.

Convention Cleanings

The Cairo market was ably represented by W. S. Powell, chief grain inspector.

J. M. Hull of Markesan, Wis., was the only country grain dealer present from Wisconsin, member of the Association.

Market quotations on wheat, coarse grains and stocks were furnished continuously in the registration headquarters by the Chicago Board of Trade.

O. A. Rector of H. S. Allen & Co., of Pittsburgh, said the steel mills and other industries there were gradually opening up making a constantly increasing demand for grain, feeds, etc.

Dr. R. Magill brought greetings from Winnipeg and said there would have been a larger attendance from Canada, were it not that they were in the midst of the new grain movement.

W. F. Morgan of Columbus, Ohio, representing John T. Fahey & Co., of Baltimore, Md., brought samples of very fine looking corn from Muskingum County, Ohio, running 70 bushels to the acre.

Copies of the "Iowa Corn Song" were brought to the convention for distribution by the Des Moines Board of Trade. Its swaying melodies glistened with gold, when sung by the Iowa dealers, just like the Iowa product.

Fairbanks, Morse & Co., of Chicago, Ill., had on display in Room 105, a section of Type P Fairbanks Auto Truck Scale, grain testers, etc., with literature of the general line of Fairbanks machinery. W. D. Clark was in charge.

H. G. Pollock of Middlepoint, Ohio, brought eight ears of corn, a sample of the product of Van Wert County. It was well matured and ready to erib, being marketed on the basis of 55 cents a hundred pounds. It would go upwards of 70 bushels to the acre.

L. S. Brown, secretary of the American Feed Manufacturers Association, Chicago; A. P. Husband, secretary of the Millers National Federation, Chicago, and T. M. Chivington, secretary of the American Corn Millers Federation, Chicago, were visitors at the meeting.

E. D. Bigelow, the grand young man of 82 years, secretary of the Kansas City Board of Trade, went East from the meeting to visit a brother of 87 years of age. Mr. Bigelow is a gifted and ready speaker and is always listened to with pleasure at grain association meetings.

A feature of Wednesday morning was a series of moving pictures of the operation of the Western Maryland Railroad Elevator at Baltimore, Md., under the direction of J. A. Peterson, superintendent of this modern house. W. R. Sinks, manager of the grain elevator department of James Stewart & Co., who designed and built the elevator, was present and



HENRY RUMSEY MIXES IN

thing to us, I do not see any use of it. We do not ask for anything unfair or unjust, but tell you we are being imposed upon, and you will admit it when we are being charged 14 cents for wheat, when they are only charging 7 cents in Kansas City. If you cannot help us by an expression to eliminate such imposition, we would like to know what you are worth to us. If, because you might hurt the feelings of half a dozen exporters, you want to withhold an expression for a fair square deal, when there are a couple of thousands of affiliated members affected, we should know it. I think that stand is a very poor one for you to take. We appeal to you from the standpoint of justice. Because Mr. Barnes, who was an exporter, and knew he would afterwards be an exporter, fixed an arbitrary price differential, based on the value of the wheat at that time, are you not going to condemn a practice of that kind, unjust to the grain trade generally? We want your expression for an honest square deal.

Mr. Bissell: If Mr. Dorsey and his constituents would unite in a protest, and transfer their business to the people who would not extort undue grade discounts, they would mighty soon get that situation straightened out. We had the same thing in our country, and we simply said that we would not talk to them when they mentioned Government discounts. It does not need any action by the Association.

Mr. Dorsey: Mr. Smiley went to Kansas City and sought a conference with the exporters, but they did not get anywhere. I have taken it up with all the exporters by correspondence, and we haven't got anywhere, and we need your help. How are you going to handle those exporters when their bids are the same, and in my judgment there is a close understanding between them? There is nobody to sell the product to. We must sell it to them.

The President: I want to say, personally, while it may not be the province of the president to do so, that I should regret very much indeed if this resolution were tabled, for I am frank to say that I believe it is and ought to be within the province and

witnessed the production as were also Felix J. Weller and W. H. Kent of the Weller Manufacturing Company of Chicago, and Guy Henderson of Webster Manufacturing Company, the houses that supplied the machinery.

A very great interest was shown in the films of the Ottumwa Box Car Unloader Company of Ottumwa, Iowa, which were run daily by this firm in Room No. 119. This device is for the rapid unloading of grain, coal, etc., from box cars and is said to be giving great satisfaction wherever installed.

G. I. Christie, head of the Extension Work of Purdue University, Lafayette, Ind., took occasion in his address to boost the grain and hay show to be held in connection with the International Live Stock Exposition, Chicago, Ill., November 26 to December 3. The Chicago Board of Trade donates a premium list of \$10,000 to the show.

Secretaries of grain exchanges who were present included John G. McHugh, Minneapolis Chamber of Commerce; E. D. Bigelow, Kansas City Board of Trade; Frank P. Manchester, Omaha Grain Exchange; L. W. Ainsworth, Des Moines Board of Trade; Dr. R. Magill, Winnipeg Grain Exchange; Fred E. Pond, Buffalo Corn Exchange; John R. Mauff, Chicago Board of Trade; John R. Lofgren, Peoria Board of Trade.

The group meeting of feed dealers on Monday was well attended and new rules adopted after thorough discussion. There were some differences between the millers and the feed men ironed out and on Tuesday E. C. Dreyer, chairman of the Feed and Grain Joint Committee, presented the rules for adoption. These rules were printed and distributed and, as adopted, will govern all transactions in feedstuffs.

Visiting secretaries from state organizations were George A. Wells, Western Grain Dealers Association, Des Moines, Iowa; J. W. McCord, Ohio Grain Dealers Association, Columbus, Ohio; C. B. Riley, Indiana Grain Dealers Association, Indianapolis, Ind.; D. L. Boyer, Missouri Grain Dealers Association, Mexico, Mo.; C. F. Prouty, Oklahoma Grain Dealers Association, Oklahoma City, Okla.; H. B. Dorsey, Texas Grain Dealers Association, Fort Worth, Texas; and W. E. Culbertson, Illinois Grain Dealers Association, Champaign, Ill.

All the visitors were greatly pleased with the entertainments provided by the Chicago Board of Trade. The Colonial Theater was filled to capacity on Monday night and Fred Stone tip-topped through an excellent, three-hour performance. The ladies were specially entertained Tuesday with auto rides through Chicago's park and boulevard systems, luncheons, etc., and the banquet at the Drake Hotel in the evening was the largest attended function in the history of that home of hospitality. In addition very many Chicago grain firms entertained various parties of their friends and every one went home feeling that they had had a delightful time while in the city.

The machinery and building interests represented at the meeting included the following: Guy Henderson, Webster Manufacturing Company, Chicago; W. R. Sinks, James Stewart & Co., of Chicago; William Watson, S. Howes Company, Silver Creek, N. Y.; F. J. Weller and W. H. Kent, Weller Manufacturing Company of Chicago; G. R. Williams, Leonard Construction Company, Chicago; W. D. Clark, Fairbanks, Morse & Co., Chicago; A. D. McPherson, Huntley Manufacturing Company, Silver Creek, N. Y.; F. S. Harshbarger, Globe Machinery & Supply Company, Des Moines, Iowa; T. J. Ballinger, Ballinger & McAllister, Bloomington, Ill.; F. H. Hunt, Ottumwa Box Car Loader Company, Ottumwa, Iowa; W. H. H. Murray, Reliance Weighing Machine Company, Chicago, Ill.; Martin B. Reilly, O. W. Randolph Company, Toledo, Ohio; H. O. Hem, Toledo Scale Company, Toledo, Ohio.

VISITORS FROM TERMINAL MARKETS

Baltimore

A. Edw. Kohler, Chamber of Commerce; David H. Larkin, Chamber of Commerce; L. M. Jackson, Robinson & Jackson; Edw. T. Sheil, Jr., Baltimore Grain Company; Ferdinand Meyer, Baltimore Grain Company; T. E. Witters, Baltimore Fidelity Warehouse Company; Oscar M. Gibson, C. P. Blackburn & Co.; Jos. M. Warfield, John T. Fahey & Co.; E. H. Beer, Chas. England & Co.; G. Stewart Henderson, Traffic Manager, Baltimore Chamber of Commerce; E. R. Harris, W. E. Harris & Sons.

Boston

Seth Catlin, Chief Grain Inspector; Alexander S. MacDonald, A. S. MacDonald Commission Company; John J. King, John J. King Company; Chris. O'Leary, Thomas Ronald & Co.; Horace Cook, Horace Cook & Co.; Moulton Cox, Chas. M. Cox Company; E. J. Donahue; Edwin A. Hall; Robt. C. Bacon; A. W. Goodnow, Park & Pollard Company; Matthew D. Benzaquin; Lyman G. Smith, Jaquith, Parker, Smith & Co.

Buffalo

F. J. Schonhart, Electric Grain Elevator Company; H. C. Harrison, Buffalo Grain Company; F. A. Dirnberger, Washburn-Crosby Company; C. P. Wolverton, Maritime Milling Company, Inc.; Jno. A. Seymour, Jr., Seymour-Wood Grain Company; M. F. Cohn, Sunset Feed & Grain Company, Inc.; C. C. Lewis, Lewis Grain

Corporation; H. Clay Shaw, Consolidated Feed Dealers Association; J. J. Rammacher, Eastern Grain, Mill & Elevator Corporation; H. A. Smith, Smith Commission Company; Fred E. Pond, Secretary, Corn Exchange; C. B. Seay, Consolidated Feed Dealers Association; P. D. Connors, Corn Exchange; A. E. Yardley, Clover Leaf Milling Company.

Cedar Rapids

I. E. Jackson, Jackson Grain & Mill Company; C. L. Douglas, E. W. Bailey & Co.; C. A. Davis, Cedar Rapids Grain Company; S. W. Wilder, King-Wilder Grain Company; J. B. Murell, Jr., Cedar Rapids Grain Company; L. W. Gifford, Gifford Grain Company; Guy E. Hillier, Penick & Ford, Inc.; L. J. Duster, King-Wilder Grain Company; H. L. Duster, King-Wilder Grain Company; E. H. Hingham, Penick & Ford, Inc.; James H. Barrett, Lamson Bros. & Co.

Cleveland

H. W. Robinson, The Union Elevator Company; F. E. Watkins, The Cleveland Grain & Milling Company; W. C. Seaman, The Hermann-McLean Company.

Cincinnati

Geo. F. Munson; Max Blumenthal; D. J. Schuh, The Early & Daniel Company; B. W. Dulaney, The J. Chas. McCullough Seed Company.

Detroit

F. G. Emmons, Commercial Milling Company; T. W. Swift, Swift Grain Company.

Des Moines

W. G. Case, Marshall Hall Grain Company; F. H. Hall, McArty & Hall; L. W. Ainsworth, Secretary, Des Moines Board of Trade; Geo. A. Wells, Secretary, Western Grain Dealers Association; E. G. Cool, E. G. Cool & Co.; W. H. Bartz, W. H. Bartz & Co.; M. McFarlin, Central Iowa Grain Company; Frank Pagett, Des Moines Elevator & Grain Company; O. J. Meredith,



A. D. McPHERSON AND WM. WATSON

Iowa Corn Products Company; A. N. Heggen, Iowa Corn Products Company; W. H. Sievert, Lamson Bros. & Co.; A. V. Tischer; Clark Brown.

Duluth

E. M. White, White Grain Company; Wm. H. Shea, United States Department of Agriculture.

Fort Worth

W. W. Manning, Terminal Grain Company; H. B. Dorsey, Secretary, Texas Grain Dealers Association; E. M. Rogers; Douglass W. King.

Indianapolis

F. G. Heinmiller, Heinmiller Grain Company; B. B. Minor; Frank N. Wallace, State Entomologist; Ed. K. Sheppard, Cleveland Grain & Milling Company; Harry H. Bingham, Bingham-Hewett-Scholl Company; Bert A. Boyd, Bert A. Boyd & Co.; Lew Hill, The Lew Hill Grain Company; Henry J. Berry, The National Elevators; Donald T. C. Hart, Bert A. Boyd & Co.; C. Wm. Maihucher, Frank A. Witt; Will Wilson, Hayward-Rich Grain Company; Wm. Goldberg, Midwest Elevator Company; S. A. Holder.

Memphis

Walter M. Browne; R. L. Larzelere, Young Commission Company; C. G. Robinson, Scruggs, Robinson Company.

Kansas City

W. B. Lathrop, Peirson-Lathrop Grain Company; F. L. Baumann, Armour Grain Company; Victor Lichtig, Henry Lichtig & Co.; F. W. Lake, Hall, Baker Grain Company; S. H. Miller, S. H. Miller Grain Company; C. M. Woodward, Western Grain Company; E. E. Klecan, Russell Grain Company; C. Addison, Addison Grain Company; J. F. McElvain, Moffatt Grain Company; E. M. Hibbs, Kemper Grain Company; Max F. Moritz, C. Moritz & Co.; M. J. Lawless, Moore-Lawless Grain Company; E. R. Stripp, Vander-slice-Lynds Company; R. H. Sturtevant; O. A. Severance; Henry Lichtig, Henry Lichtig & Co.; R. A. Kelly, Norris Grain Company; C. L. Weekes, Weekes Brokerage Company; G. H. Claiborne, Claiborne Commission Company; Fred B. Godfrey, Simonds-Shields-Lonsdale Company; John Stark, Federal Grain Company; A. R. Aylesworth, Federal Grain Company; L. A. Fuller, Fuller Grain Company; T. B. Armstrong, Assistant Chief Inspector of State of Kansas; J. S.

Hart, Chief Inspector, State of Kansas; N. D. Cerf, Henry Lichtig & Co.; B. C. Moore, Moore-Seaver Grain Company; Ewing Duvall; E. D. Bigelow, Secretary, Board of Trade; C. L. Fontaine, General Commission Company.

Milwaukee

F. A. Dorsch; M. H. Ladd; A. A. Breed, Chamber of Commerce; Arthur J. Riebs, The Riebs Company; Alfred C. Green, Jr., Rockfield Products Company; P. C. Kamm, P. C. Kamm Company; A. E. Bush, Bush Grain Company; J. W. Jouns, Donahue-Stratton Company; F. B. Bell, W. M. Bell Co.; A. L. Jacobs, Cargill Grain Company; E. H. Heimke, L. Bartlett & Son Company; J. Walter Rice, J. W. Rice Grain Company; F. W. Aishton, Donahue-Stratton Company; I. C. Lyman; R. Mengelberg, Rockfield Products Company; E. H. Hickey, Flour & Feed.

Minneapolis

P. P. Quist, State Weighmaster; E. F. Huber, McCaull-Dinsmore Company; R. P. Purchase, Inter-State Flour & Feed Company; E. N. Best; W. G. Crocker, Washburn-Crosby Company; N. S. Mitchell, Gallagher & Mitchell; Don Kern, Sheffield Elevator Company; B. F. Benson, Benson-Quinn Company; H. T. Bergman, Bergman Mill Feed Co.; Chas. G. Wehmann, H. Wehmann & Co.; S. N. Osgood, Commercial Feed Company; Hugh E. Hughes, Brooks Elevator Company; Frank L. Carey, Hallet & Carey Company; James A. Gould, Sheffield Elevator Company; E. J. Grimes, Cargill Elevator Company; W. G. Kellogg, Armour Grain Company; H. H. F. McCarthy, International Grain Company; M. E. Grant, Van Dusen-Harrington Company; P. C. Rutherford; O. A. McCrea, Pillsbury Flour Mills Company.

Nashville

Chas. D. Jones, Chas. D. Jones & Co.; J. A. Daugherty; R. W. Hale, J. R. Hale & Sons; Frank E. Gillette, Gillette Grain Company; John A. Tynor, John A. Tynor & Co.; S. S. Kerr; J. T. Roberts, Chief Inspector; Thos. Newbill, Caswell E. Rose Company; W. R. Tate; W. T. Hale, Jr., J. R. Hale & Sons; Henry Williams; Thos. Newbill, Caswell E. Rose Company.

New Orleans

Paul R. Kalman, K. & E. Neumond, Inc.; Geo. S. Colby; P. C. Gordon, Central Elevator & Wholesale Company; N. C. Barnett; G. M. Milam, Milam-Morgan Company, Inc.; E. T. Manard, Penick & Ford, Ltd.; W. L. Richeson, The W. L. Richeson Company, Inc.

New York City

Chas. A. Robinson, Robinson & Sweet; Clarence S. Betts, Wm. H. Payne & Son; Jas. H. Bowne, Keusch Grain Company; Paul Whitman, B. F. Schwartz & Co.; L. W. Forbell, L. W. Forbell & Co.; Frank Lester, Caldwell & Co., Ltd.; O. B. Glaub, Knight & Co.

Omaha

Frank J. Taylor, Taylor Grain Company; Joy M. Hackler, The Updike Grain Company; J. W. Holmquist, Holmquist Elevator Company; Geo. B. Powell, Omaha Grain Exchange; E. E. Huntley, J. Rosenbaum Grain Company; Frank H. Brown, The Frank H. Brown Company; J. R. Schmitt, Dilt & Morgan, Inc.; Frank Foltz, Maney Grain Company; E. A. Beardsley, Merriam & Millard Company; H. K. Schaffer, Maney Milling Company; J. A. Linderholm, Crowell Elevator Company; J. T. Buchanan, Omaha Elevator Company.

Peoria

Clay Johnson; Geo. W. Cole, Geo. W. Cole Grain Company; John R. Lofgren, Secretary, Peoria Board of Trade; B. E. Wrigley, G. C. McFadden & Co.; J. A. Waring, S. C. Bartlett Company; L. Gross; Louis Mueller, Mueller Grain Company; F. B. Tompkins, Peoria Board of Trade; L. E. Murray, Warren Commission Company; C. C. Miles, P. B. & C. C. Miles; Loftus H. Ward, Harrison, Ward & Co.

Philadelphia

Jas. J. Rodgers, Richardson Bros.; Robert Norris, Commercial Exchange; W. O. Fehling; W. B. Stites; M. F. Baringer; Frank M. Rosekrans, Rosekrans-Snyder Company; J. B. Pultz, J. B. Pultz & Co.; Austin Boyd, Levan & Boyd Company.

Pittsburgh

O. A. Rector, H. S. Allen & Co.; L. C. Newsome, Newsome Feed & Grain Company.

Sioux City

Paul Larson, H. T. Bickel, Terminal Elevator Company; T. A. Black, Terminal Grain Corporation; Chas. Flanley, Flanley Grain Company; M. King, Western Terminal Elevator Company; R. A. Swenson; L. C. Button, L. C. Button Company.

St. Joseph

H. H. Savage, Marshall Hall Grain Company; W. W. Simmons, Button, Simmons Grain Company.

St. Louis

Ward Smith, Hunter, Robinson Milling & Grain Co.; E. C. Dreyer, Dreyer Commission Company; Robt. F. Delbel, Dixie Mills Co.; J. O. Ballard, Ballard-Messmore Grain Company; John H. Herron, Elmore-Schultz Grain Company; N. L. Moffitt, Moffitt-Napier Grain Company; J. T. Arthur; W. J. Niegarth, Marshall Hall Grain Company; Frank M. McClelland; C. J. Ichtertz, Ichtertz & Watson; J. E. Dixon, Schreiner Grain Company; A. H. Newman, Elmore-Schultz Grain Company; Ed. Hasenwinkle, Ed. Hasenwinkle Commission Company; W. J. Edwards, W. J. Edwards & Co.; A. C. Bernet, Bernet, Craft & Kauffman Milling Company; T. M. Scott, Picker & Beardsley Commission

Company; J. A. Bushfield, Bushfield Grain Company; Robt. Napier, Moffitt-Napier Grain Company; G. A. Turner, Turner Grain Company; W. M. Connor, M. J. Connor & Son; W. J. Klosterman, Klosterman-Patton Grain Company; John Ladd, Schreiner Grain Company; F. H. Barkley, Stokes-Barkley Grain Company; John Dower, Chief Weighmaster.

Toledo

E. H. Culver; W. K. Vandiver, Grain Dealers National Association; Fred Mayer, J. F. Zahm & Co.; R. S. Sheldon, The S. W. Flower & Co.; H. W. Applegate, Mennel Milling Company; H. R. Devore, H. W. Devore & Co.; Chas. W. Mollett, The Lake Erie Milling Company; K. S. Keilholtz, Southworth & Co.; Fred W. Haigh; Wm. W. Cummings, J. F. Zahm & Co.; E. G. Kilburtz, Grain Dealers National Association; L. Schuster, Raymond P. Lipe Company; David Anderson, The National Milling Company.

CHIEF INSPECTORS MEET

The Chief Grain Inspectors National Association held its annual meeting at Chicago on October 3. Most of the markets were represented and, as usual Big Chief Culver of Toledo presided. Among the subjects discussed at the meeting were: Grade for weevily grain; certificates for split cargoes; tentative rye standards; and inspection of grain sorghums.

The election of officers resulted as follows: President, E. H. Culver, Toledo; vice-president, George H. Tunnell, St. Paul; secretary-treasurer, F. B. Tompkins, Peoria.

On account of the small expense connected with the administration and the well supplied treasury, collection of dues was dispensed with unless occasion should warrant.

The following resolutions were adopted:

Notation for Weevily Grain

It is hereby resolved that the secretary of this body shall be and is hereby instructed to notify the United States Secretary of Agriculture, Hon. Henry Wallace, that the Chief Grain Inspectors National Association does recommend that those parts of the Federal grain standards under Federal Grain Standards Act, which specify that "Grain infested with live weevil and other injurious insects shall be graded Sample Grade," shall be stricken from the Federal grain standards and the following rule substituted. "Weevily wheat, corn or oats shall be all such grain which is infested with live weevil or other insects injurious to stored grain. All such grain shall be graded and designated according to the grade requirements applicable to such grain if it were not weevily and there shall be added to and made a part of grade designation the word Weevily."

Split Certificates

Resolved: That the splitting of certificates of cargoes of grain after unloading into elevators be discontinued as certificates so issued may not represent the true grade of the grain when reloaded.

SCALE REQUIREMENTS

Below are given rules for sensibility reciprocal and tolerance for track scales as set forth in Docket 9009, Interstate Commerce Commission.

SECTION XVIII—SENSIBILITY RECIPROCAL

Definition: The sensibility-reciprocal shall be that weight required to be added to or removed from the live rails to turn the beam from a horizontal position of equilibrium in the center of the trig-loop to a position of equilibrium at either limit of its travel.

2. Value. The sensibility-reciprocal shall not exceed 50 pounds in any case.

SECTION XXIV—TOLERANCE

1. Value: Railroad track scales used for weighing grain shall be maintained so that when a test load, consisting of a one-truck short wheel base test car standardized on a master scale, is used, the largest algebraic mean of any two errors found for different positions of the test truck shall not exceed 1-10 of 1 per cent, or one pound per thousand pounds of test load applied; provided, however, that no two errors shall be selected corresponding to positions of the test truck equal to or closer together than the distance between the sections of the scale. Moreover, the scale shall be corrected when it is found, on test, that the error exceeds 1-10 of 1 per cent of the test load applied for any position of the test load on the scale. The manufacturers' tolerance on new scales shall be one-half of the above values.

2. Test cars: For testing grain scales to apply Red Rock and Turkey Red.

the foregoing tolerance, it is recommended that there be used 80,000 pounds capacity car applied on a wheel base not to exceed seven (7) feet.

3. Testing: All scales shall be tested to their working capacity at least once each year, and every six months when practicable.

A RECORD TO BE PROUD OF

On September 10 last, John L. Murphy sent out to his friends an artistically engraved announcement of the fiftieth anniversary of his grain and seed business at Sycamore, Ill. This announcement concluded with the following apt quotation:

"All the wild ideas of unbalanced agitators the world over, in their ignorant and pitiable quest for happiness through revolution, confiscation of property, and crime, cannot overthrow the eternal truth that the one route to happiness through properly or government is over the broad and open highway of service. And service always means industry, thrift, respect for authority, and recognition of the rights of others."

On September 10, 1871, Mr. Murphy went to work for D. A. Symes. He was associated with Mr. Symes for 28 years, and for the last 22 years his business has been conducted under his own name. We add our congratulations to those of the host of friends who for so many years have known and respected Mr. Murphy as a business man and neighbor.

"JIM DUNN"

BY HOOZUS

Jim Dunn, who runs the elevator at Sperry Siding, says: "I was a'talkin' to Ebe Miller, from down Walton way, and' he was a'sayin' to me, he says: 'Jim, I've got th' old house chock full o' wheat an' oats, an' I'm goin' to ferget about 'em an' go fishin'. This market's goin' right up to th' sky one o' these here days, an' I'll make a killin'".

"I says to Ebe: 'Ebe! have you been a'lookin' at that there wheat an' oats, lately?' An' Ebe he says: 'Hell, no! I seen enough o' it when I was a'takin' it in, an' it was all in good shape then.'

"'Didn't see any weevil, did ya?' says I.

"'Weevil?' says Ebe. 'Why, no. There was some o' them straw weevil; but them never hurt nothin'.' "That so?" says I. 'Well, now, here's th' sitchyation: them there straw weevils is all had golden weddin's since you took 'em in, an' they're all got great grand children an' more comin'. They ain't so bad if ya got a good mill and put plenty wind on it; but ya wanta get 'em in time, and—Hey, Ebe! where ya goin'?'

"'Goin' home an' start my mill. Where ya s'pose?'"

LITTLE TIPS FROM "JIM DUNN"

Don't never leave no string tied to no contrak. It's apt t' grow into a rope an' hang ya.

Don't be stingy with lumber an' nails when you're cooperin' a car. There's lots o' other leaks in th' grain bizness that lumber an' nails won't stop.

Don't let your comp'tition make your prices. Enybuddy can pay more'n th' grain is wuth, but it takes brains to buy at th' other feller's prices.

Don't allus be stickin' for th' last fraction. Wait-in' for a quarter of a cent, sometimes loses a quarter of a dollar.

Don't forget, in th' grain bizness, ya need other senses besides sight. Stick your nose in it, an' make sure.

Don't put th' broom man out o' business. Buy his brooms—an' use 'em.

Don't let a fire get started. It only takes a little fuel an' a big fool t' start one.

THIRTY-NINE varieties of wheat have been found to be resistant or highly immune to the "take-all" wheat disease which has been troublesome in Illinois and Indiana, according to researches of the United States Department of Agriculture. These varieties include among others the Fultz, Gold Coin, Kanred, Kharkof, Poole, Red Cross (red chaff),

GRAIN HANDLING AT MARSEILLE

The United States Consul at Marseille, France, has sent the following account of the grain handling equipment at that port.

The port of Marseille prior to the war was handling an annual importation of approximately 1,150,000 metric tons of grain, with an annual exportation of nearly 900,000 metric tons, a total annual commerce of approximately 2,000,000 metric tons.

The suspension of grain exports from south Russia and Rumania accounts in large part for the failure of the grain imports at Marseille to immediately regain their pre-war volume, but a single wheat harvest here, with freedom of exportation, will advance Marseille imports to new high levels. This year's imports from Rumania are very heavy, and the wheat production of Algeria is increasing. In spite of the increased French import tariff on wheat, there is, therefore, good reason to believe that the entries of grain at Marseille will in the near future surpass their pre-war total.

While the Marseille docks are admirably equipped with general discharging apparatus, they lack special facilities for dealing with breadstuffs. La Compagnie des Docks possesses 14 bucket elevators, and there are altogether 7 other specially designed machines for loading and unloading grain, but the maximum capacity of any of the elevators is 60 tons per hour, and none of them is based on the suction principle. At Saint-Louis-du-Rhone, near Marseille, the Gautier Mills possess an elevator capable of discharging 100 tons per hour.

Marseille is likewise lacking in storage elevators for bulk grains, and grain which goes into storage here must ordinarily first be placed in sacks. At the Gautier establishment at Saint-Louis-du-Rhone, already mentioned, there are bulk elevators with a capacity of 14,000 tons.

During the war it was naturally impracticable to proceed with the erection of new plant and equipment, and since the war there has been hesitation. There has been a feeling, moreover, that the land-transportation facilities are not adequate to carry away large consignments of grain faster than the apparatus for discharging vessels can operate.

Now however, since the navigation of the Rhone is an immediate prospect, and since the Marseille merchants are extending the field of their sales throughout the south of France, the erection of elevators and the installation of pneumatic discharging apparatus is coming within the range of practical probabilities. It is probable that Marseille, with proper equipment, could furnish grain and flour for certain French regions which now depend upon the upper Rhine and even upon Genoa. The superior grain-discharging facilities of north European ports and of the cities at the head of navigation on the Rhine are being commented upon in the local press, and any American grain-equipment firms having representatives in Europe might well investigate Marseille's possibilities.

AN OHIO VETERAN PASSES

Grain dealers of the Central West will learn with sorrow that Edward Wood Scott, member of the firm of Scott & Woodrow Company, died at his late residence, 537 East Broad Street, Columbus, Ohio, September 21, 1921, age 71. He is survived by his wife and daughter.

Mr. Scott had been engaged in the grain business in Columbus since 1879. He was the founder of the old firm of Seeds & Scott, succeeded later by Scott & Woodrow Company. He was well known by the grain trade and took active interest in all that contributed to the welfare of the business. The firm was not incorporated. Mr. Scott's partner was A. H. Cratty who will doubtless succeed to and continue the business.

His original firm, Seeds & Scott, were charter members of the Ohio Grain Dealers Association, July 1, 1880, and the membership has been continued for the successors during all these years.

He has been chairman of the Arbitration Committee for more than 20 years. His word was as good as his bond. Honor and integrity were the prime virtues in all his business and social relations.



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ADVERTISING.

This paper has a large circulation among the elevator men and grain dealers of the country, and is the best medium in the United States for reaching persons connected with this trade. Advertising rates made known upon application.

CORRESPONDENCE.

We solicit correspondence upon all topics of interest connected with the handling of grain or cognate subjects.

Official Paper of the Grain Dealers National Association and of the Illinois Grain Dealers Association

CHICAGO, ILL., OCTOBER 15, 1921

THAT ORDERLY MANNER

WE HAVE heard much recently about the "orderly manner" in which the various farmers' marketing associations propose to market grain. The U. S. Grain Growers' propaganda is full of it, and George C. Jewett, president of the Northwest Wheat Growers' Association, a pooling organization, recently said: "We are not speculators in wheat. Our object is to put in process the orderly marketing of grain from the Northwest. We want to avoid the dumping of grain on the market."

These wheat poolers do not seem to grasp the fact that speculation can be done with actual grain as with future trades. They do not admit that when they hold back grain from the market they are speculating on higher prices later on. Grain can only be marketed in an "orderly manner" when there is a perfect adjustment of supply and demand. Both of these factors are international in scope and are outside the jurisdiction of any selling agency except under occasional localized market conditions of a temporary nature.

If a wheat pool of 30,000,000 bushels is held in storage and not offered for sale it has practically the same effect as if it were dumped on the table for the highest bidder. Who will pay high prices for wheat or any other grain when there are 30,000,000 bushels in the visible supply? Every dealer knows that grain must go to market. Surplus grain of one crop held over to the next year always has its effect on the price of new grain. There can be no monopoly of grain, no fixed price, for some part of the world is producing

every day of the year, and if the supply from one country is artificially curtailed it merely stimulates production in other countries.

There is only one way to market grain in an orderly manner. God, in His wisdom, has provided the seasons and the harvests, and the man who attempts to change or regulate that Divine law is monkeying with forces altogether outside his control and which will eventually rise and crush him.

THE NATIONAL CONVENTION

FOR 25 years the grain trade of the country has been meeting in annual convention as a national unit. Year by year it has been growing more inclusive and is at present fairly representative of every grain interest in each section of the country.

While there are many local interests in the trade with which the National Association, as such, has no concern, the convention this month brought out the fact that there are a number of issues upon which the entire trade is a unit. One of these issues only, pertains to the grain trade exclusively, and that is, that no grain marketing system has ever been brought forward that is more efficient than the one now in use. All are agreed that the present system might be improved in its details, but in principle it is superior to that used in any trade or business in the world.

The other issues upon which the convention found unanimous agreement were: That class legislation by our national or state governments is destructive of the fundamental principles upon which the Government is founded; that all classes of our citizenship must bear their share in stabilizing business conditions; and that the only way to get back to normalcy is to shut up, think and work.

It was a great meeting, sober, hard-working, and well attended. Spectacular features were lacking, but there was a feeling of earnestness and determination displayed which is encouraging. The grain trade is not out of the woods of suspicion yet, but it is on the way and has the purpose and the will to carry the trade with clean hands before the bar of popular esteem.

WHAT TO DO WITH CORN

FARMERS are concerned about their corn. What shall they do with it? With December corn down to 46 cents at Chicago there is no profit in marketing it. On the same day that 46 cents was registered, October 10, hogs sold up to \$9 for choice mediums and prime yearling cattle brought \$11.50. If corn can be fed, it can be marketed far more profitably as meat than as grain.

Some of the farm papers are advocating burning corn instead of coal. There are some isolated districts where this could be done profitably, but it certainly is not true for the corn belt as a whole. Other advisers are advocating holding corn till next year or for two or three years if necessary. If a farmer can afford it and has good crib or bin storage that is rat-proof and can be fumigated, the holding policy is excellent. Certainly he has nothing to lose and may be a gainer by a

wide margin. Within the next year freight rates will certainly be down within hailing distance of 1916 at least; and it is hardly likely that there will be another bumper crop to compete with next year.

On the other hand this is one of the worst years known for grain weevil and a bin or crib full of corn could be pretty well ruined if weevil are allowed to have their way unchecked. Too, there is always trouble in the spring germinating season and a warm, moist April and May might easily wipe out holding profits.

If the farmer holds his corn he should understand thoroughly that he is speculating. Knowing this, he should be willing to take his medicine if the holding policy does not make him money and not charge his failure to the grain exchanges or the marketing system.

CAUSE OF LOW PRICES

THE cause of low prices for grain is not hard to find. In fact there are two causes, either of which would be sufficient to demoralize the market, and taken together make a hopeless situation. The first cause, of course, is the excessive marketing by farmers. The Government report of stocks of wheat in all positions was issued on October 13, unfortunately too late to appear in this issue. Preliminary estimates show that farmers marketed from 52 to 55 per cent of their crops from July 1 to October 1, compared with 36.6 per cent last year. Secretary Wallace is said to be contemplating issuing a request to farmers to hold back the balance of their grain, but the damage, so far as markets are concerned, has already been done, as there has not been enough speculative interest in the markets to absorb the offerings. Here, then, is reason enough for low prices, but it isn't all by any means.

A committee of the United States Chamber of Commerce has just submitted its report on world conditions. They have gone fully into the question, and the following is a paragraph from the report which speaks for itself:

There are no dependable figures to measure the great decline in consumption, but European economists, whose opinions are highly regarded, declare that the consumption of more than 300,000,000 persons has been reduced on the average to almost 30 per cent of what it was previous to the war. There is a great need of raw materials, food, clothing and all kinds of manufactured materials. Millions want the commodities which others could supply. They are unable to buy because their money is so reduced in value that it has little buying power. Every purchase at the present high rates of exchange means payment at prices that are nearly prohibitive. This means the issue of more paper money and consequently causes a further contraction of the already limited buying power.

This committee report is supplemented by a report from the U. S. Department of Commerce of October 10.

The trend of the British trade in foodstuffs is one of the best indications we have of general trade conditions in Europe.

The takings of wheat for consumption, which were last year a little above pre-war average, are so far this year only about 80 per cent of normal. The item "all grains" also shows in the first eight months of the year a decline from 88 per cent last year to 78 per cent this year. Evidence from other countries substantiates the general statement that

Europe has not yet returned to pre-war consumption of breadstuffs. This is believed to be due in part to less use of imported grains and mill feeds for live-stock feed, and the probable increased use of vegetables as human food.

On the whole, there is an apparent decrease in consumption of imported grains of about 20 per cent and an increase in consumption of meat products, fats and oils, dairy products, and fruits of 20 to 30 per cent.

Reduced to actual figures, Great Britain's imports for the first eight months of 1921 were 60,393,560 hundredweight (112 pounds) of wheat, including flour, compared with 75,816,951 hundredweight as the average for 1910-1914. Other grains imported this year totaled 39,968,076 hundredweight compared with 51,523,855 hundredweight for the pre-war average.

With these facts before us we can all draw our own conclusions as to the future course of the markets. The foreign situation is largely guesswork, but the domestic should show improvement with decreased receipts and the greater consuming demand which must display itself before long. We look for materially better prices on the second half of the crop for wheat, rye and oats, with other grains following.

WILD ONION

MILLERS are up in arms over the increasing amounts of wild onion that is mixed with Soft Winter wheat. The onion bulblets are hard to separate as they average about the size of wheat kernels, and the Government is sending out bulletins advocating the extermination of the onions at their source, the farm. These bulletins will do as much good as such documents usually do, not any.

However, the millers have the cure for the trouble in their own hands. If they would give farmers warning that they would not accept garlicky wheat, and then refuse it absolutely or accept it only at such discounts that the farmer would feel his loss, the trouble would end within three years. The average country miller who comes in personal contact with the farmer hasn't the guts to formulate such a policy or carry it out, so garlicky wheat will probably be a bane to the Soft wheat miller for years to come.

THE CORN BORER AND THE CORN BELT

PROFESSOR CHRISTIE of Purdue exploded something of a bomb shell when he announced at Chicago last week that the dreaded European Corn Borer had reached northwestern Ohio and that there was a prospect of extending the quarantine against it to the western boundary of Indiana. No borers have been found in Indiana as yet, but such a quarantine would allow the authorities to proceed with drastic measures in any locality in which they appeared.

The borers came across the lake from Ontario, having been brought into Canada from Europe about 13 years ago in broom corn. They have entirely ruined the corn crops in parts of Ontario and Mr. Christie said that if they became established in Indiana the grow-

ing of corn there might just as well be given up. The borer has not reached the corn belt so far as anyone knows, and if Government agencies can prevent it, it will not do so. But the past history of the little beast indicates that if he should, the corn belt would cease to exist. The utmost vigilance must be maintained and any suspicious worm which is found in a corn stalk or in the pith of an ear should be immediately reported. The borer, however, is no relation to the corn ear worm which is so prevalent this year.

A RAILROAD'S RESPONSIBILITY

CAN a railroad desert a territory which it has developed and which is absolutely dependent on it for sustenance? The question arises through the effort of the Chicago & Eastern Illinois Railroad to discontinue operations on its Brazil branch.

It seems that the branch has lost money for some years, and the road can hardly be blamed for wanting to get rid of it. On the other hand there are many grain elevators and other industries on the road which were established on the strength of the service offered by the branch, and for no other reason. Should the road be discontinued the industries would be worthless.

The case is before the Indiana Public Service Commission for itself and as representing the Interstate Commerce Commission. A hearing has been held on the matter, but no decision reached. While it is rather hard on the C. & E. I., it is hardly thinkable that the Commission would permit the abandonment of prosperous and useful industries in the territory. As there are a score of elevators and mills on the Brazil branch the decision will be of considerable interest to the grain trade.

GARBLED NEWS

THE policy of reading addresses, which has been adopted by grain leaders, is wise. There are too many enemies of the grain marketing system who willingly misquote or garble statements made in public, and too many country editors and readers to swallow whole whatever is handed out to them by these unscrupulous reporters.

Country newspapers in the Northwest, following the National Association meeting, carried this story: "The session was marked by spirited debate among delegates on whether or not to expel from the organization all dealers who accept at their elevators grain of co-operative societies. A movement was launched to amend the by-laws so that any member who accepts co-operative grain would automatically be expelled from the Association."

A reading of the verbatim report of the meeting as contained in this issue will reveal that this report is entirely and maliciously false. A suggestion was made to discipline a member, but the suggestion was worded in a way to reflect upon co-operative societies and was immediately and unanimously downed on that account. There was never for a moment any debate against co-opera-

tive agencies or any reflection upon them or their methods. The report is evidently merely another attempt to stir up animosity among the farmers toward the present marketing system and shows to what length the enemies of the system will go in their attempt to discredit the grain trade.

THE OCTOBER CROP REPORT

IN ITS October report the Department of Agriculture came closer to the private reports on wheat. Last month its Spring wheat estimate, based on condition and acreage alone, was 209,979,000 bushels. This month threshing returns show the crop to be 13,203,000 less, or 196,776,000 bushels. This puts all wheat at 740,665,000 bushels.

Corn also shows a loss during the month of 22,813,000 bushels. The present estimate is from 3,163,063,000 bushels. But husking will show a further loss next month for cob worm and mold have played havoc in many fields.

Oats, too, lost, the final returns being only 1,078,519,000 bushels, or 447,536,000 less than last year. Barley lost over 3,000,000 during the month, reducing the estimated yield to 163,399,000 bushels. Rye holds at 64,332,000 and buckwheat shows a gain, the crop being 14,263,000 bushels of good quality. Hay is unchanged at 79,808,000 tons for tame and 14,811,000 for wild. Every important crop lost during the month, and the report does not indicate the fact that of high grade grain of all varieties there is a real scarcity.

RATES AGAIN

SOMETHING may come out of the conference at Washington between President Harding and executives of several of the large railroads. The President has expressed himself emphatically in favor of lower freight rates. In fact every one has except the railroad officials, and they would if they could see their way clear to it.

While nothing definite has been given out, the impression has gone forth that lower rates for farm products will come in the near future. In fact Senator Cummins intimated that an announcement to that effect might follow the meeting of railroad executives in Chicago on October 14, the Washington conference being merely a preliminary to that meeting.

In the meantime, on October 11, the U. S. Senate adopted an amendment to the finance bill which repeals the taxes on passenger, Pullman, freight, express and pipe line transportation, effective January 1, 1922. This will help some, but it will not relieve the real trouble which only drastic rate cuts will take care of. The general situation, however, is more hopeful than it has been for some time.

The Chicago and Northwestern and the Burlington Railroads will cancel all bills for demurrage and reconsignment charges, for which disposition orders were filed within the free time during the switchmen's strike in April and May, 1920. The matter was referred to the Interstate Commerce Commission and their opinion resulted as above.

EDITORIAL MENTION

The new feed trade rules put that industry in the most healthy state it has ever enjoyed. Now all it needs is a little business.

This is a good time to get chummy with your banker. If in doubt ask his advice. Your interests are his interests and he is the best friend you have.

Congressman Steenerson is campaigning hard for his Grain Grading Bill. Passage of this bill would be as great a tragedy as the grain trade has been threatened with.

The movement of grain through Montreal on a differential of from 2½ to 4 cents in favor of that port over our Atlantic ports, indicates what the St. Lawrence deep waterway will do for the western grain states.

If there is one thing needed in this country more than another, it is for someone in authority to tell the railroad brotherhoods and other labor unions where to go. They certainly shared in the war profits and should bear their share of the reconstruction burden.

The North Dakota Grain Grading Law is still in effect by reason of a writ of superseas, which leaves the law effective pending the appeal to the Supreme Court. Why begrudge North Dakota its little fling? The experiment in state socialism is about finished.

In our estimates of available wheat we must not overlook the fact that 108,000,000 bushels are on the west coast and that a large part of our Spring wheat crop is Durum, not suitable for bread flour. It looks as though we had shipped abroad about all we can spare of good milling wheat east of the Rockies.

The Public Dock Commission of Portland, Ore., has reduced its handling charges about 25 per cent. This will undoubtedly attract much new grain through the public elevator, and it has occasioned protest by private operators who claim it discriminates against all who do not use the dock facilities. It seems to be the private owners' move.

Let us not forget our lesson: The Packer Act and the Grain Exchange Act are but entering wedges whereby the radical element in Congress will attempt to force Government control or Government supervision into every industry and public utility, until state socialism is an accomplished fact. This condition is brought about because no business men will interest themselves in such legislation unless their own particular industry is threatened. As a matter of fact Government control of any industry threatens every industry, and grain dealers should join with all business men in stopping such legislation before greater harm is done. A case in point is the Kenyon Coal Bill, and its companion measure, the Coal Profiteering Bill, which,

with its popular catch word title, attempts to dictate what margin of profit shall be allowed on coal shipments. Every such measure should be killed at birth unless the business interests of the country have lost faith in the law of supply and demand.

It is hard to believe, but it is stated as a fact that many mines are producing coal at a loss, so there is little chance of important reductions in prices before the wage agreement expires next spring, even if freight rates should come down. Don't speculate on your coal supply. Your community's health is more important than a slight price differential.

The Industrial Traffic League recently passed a resolution to the effect that railroad wages be reduced to the basis prevailing in other industries, and that rates than be reduced in proportion. Every shipper and every consumer says, "Amen." But how about the railway brotherhoods who are now in the solemn process of announcing their strike vote?

The Madison (Wis.) *Farmer* quotes a sentence from a Chicago Board of Trade bulletin and makes the usual capital out of it. The sentence reads: "Taking of profits during the closing hours by heavy bull interests resulted in a loss of 4 cents per bushel." You can imagine the tenor of the article, speculators robbing the farmers, etc. He says nothing of the fact that these same speculators lent their support to the market when the farmers first offered their grain and perhaps saved a decline at that time of several times 4 cents a bushel. None is so blind as he who will not see, and none keeps his eyes and his ears more tightly closed than the agitator who strives to stir up class hatred and suspicion among farmers.

Secretary Wallace has performed a useful act in sending two experts of the Department of Agriculture to Europe "to develop methods and sources for securing crop and market information in those countries and to arrange for sending it more promptly to the United States." Such information is much desired. The Department of Commerce has a well organized force in Europe and these men should be made use of at least in assembling the information and transmitting it to this country. And may we respectfully suggest that crop reports be translated to bushels, instead of being sent out as "quarters," "centals," "kilos" or "poods;" that acreage be indicated in acres and not in "hectares," "dessiatines" or "centiare"; and that price quotations be in specific U. S. equivalent and not in pounds, francs, lira and marks.

Atlanta, Ga., proposes to establish a contract grain market under the Capper-Tincher Act. They will have a trading floor and perhaps build an elevator. Getting a contract grain market, however, is not so simple as the Atlanta Commercial Exchange seems to think. The Secretary of Agriculture is authorized to designate a board of trade as a "contract market" when and only when it

shall comply, among other requirements, with the following:

(a) When located at a terminal market upon which cash grain is sold in sufficient volume and under such conditions as fairly to reflect the general value of the grain and the difference in value between various grades of grain and having adequate storage facilities and recognizing official weighing and inspection service.

It would, no doubt, be an excellent thing for agriculture in the South if there could be a contract market there, but it is hardly likely that Atlanta will be able to qualify under the Grain Exchange Act for some time to come.

A banker in Miles City, Mont., advises farmers to consign their high grade wheat to Minneapolis, where a premium is paid for good milling grades. This is fine advice and would undoubtedly be profitable for the discriminating farmer. The only trouble is that every farmer thinks his grain is high grade and should top the market. But it's worth trying.

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC., REQUIRED BY THE ACT OF CONGRESS OF AUGUST 24, 1912

of the "American Elevator and Grain Trade," published monthly at Chicago, Ill., for October 1, 1921.

State of Illinois, } ss.
County of Cook.

Before me, a notary public in and for the State and county aforesaid, personally appeared A. J. Mitchell, who, having been duly sworn according to law, deposes and says that he is the business manager of the "American Elevator and Grain Trade" and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management (and if a daily paper, the circulation), etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in Section 443, Postal Laws and Regulations, printed on the reverse side of this form, to wit:

1. That the names and addresses of the publisher, editor, managing editor, and business manager are: Publisher, Mitchell Bros. Publishing Company, 431 South Dearborn St., Chicago, Ill.

Editor, Richard Pride, 638 York Place, Chicago, Ill.

Managing editor, H. H. Mitchell, LaGrange, Ill.

Business manager, A. J. Mitchell, 4820 Kimbark Ave., Chicago, Ill.

2. That the owners are: (Give names and addresses of individual owners, or, if a corporation, give its name and the names and addresses of stockholders owning or holding 1 per cent or more of the total amount of stock.)

A. J. Mitchell, 4820 Kimbark Ave., Chicago, Ill.

A. H. Mitchell, 4820 Kimbark Ave., Chicago, Ill.

M. B. Mitchell, Ottawa, Ill.

M. W. Mitchell, Washington, D. C.

John E. Bacon, 4546 Clarendon Ave., Chicago, Ill.

3. That the known bondholders, mortgagees, and other security holders owning or holding 1 per cent or more of total amount of bonds, mortgages, or other securities are: None.

4. That the two paragraphs next above, giving the names of the owners, stockholders, and security holders, if any, contain not only the list of stockholders and security holders as they appear upon the books of the company but also, in cases where the stockholder or security holder appears upon the books of the company as trustee or in any other fiduciary relation, the name of the person or corporation for whom such trustee is acting, is given; also that the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees, hold stock and securities in a capacity other than that of a bona fide owner; and this affiant has no reason to believe that any other person, association, or corporation has any interest direct or indirect in the said stock, bonds, or other securities than as so stated by him.

5. That the average number of copies of each issue of this publication sold or distributed, through the mails or otherwise, to paid subscribers during the six months preceding the date shown above is (This information is required from daily publications only).

A. J. MITCHELL.

Sworn to and subscribed before me this 26th day of September, 1921.

W. F. WARRICK.

(My commission expires May 8, 1924.)

[SEAL.]

TERMINAL NOTES

The W. M. Bell Company, of Milwaukee, Wis., has opened an office at Algona, Iowa, with Geo. O. Stroom in charge.

Harry F. Franke has become associated with the Franke Grain Company of Milwaukee, Wis., and is manager of their feed department.

The Delta Flour & Feed Company of Memphis, Tenn., has discontinued business and C. H. Olsen, manager, is liquidating the affairs of the company.

Ivan B. Picard, formerly with the Young Commission Company of Chicago, has formed the firm of Picard & Strauss to engage in the feed business.

Willis E. Sheldon, formerly grain broker of Jackson, Mich., is now secretary of the Southern California Fuel & Feed Dealers Association of Los Angeles, Calif.

The Franke-La Budde Grain Company of Milwaukee, Wis., has been dissolved and succeeded by the Franke Grain Company and the La Budde Feed & Grain Company.

The Burns Bros. Grain Corporation of Buffalo, N. Y., incorporated recently with capital stock of \$25,000. Incorporators were Harry T. and Basil Burns and Mabel E. Eaton, all of Buffalo.

The Farmers Terminal Elevator Company of Sioux City, Iowa, went into the hands of a receiver in September. The company had a capital stock of \$1,000,000 and a partly completed elevator.

The Atlantic Hay & Grain Corporation of New York City, has been incorporated with a capital stock of \$5,000 to deal in grain and feeds. Incorporators are Frieda, Bertha and Joseph Spielman.

Friends of Egil Steen, head of the grain and hay firm of E. Steen & Bro., of Baltimore, Md., will be glad to learn that he is rapidly recovering from a recent surgical operation which confined him to the hospital for some weeks.

J. George R. Graham, recently of Simons, Day & Co., and Don C. Carr expect shortly to open an office in the financial district of Chicago as correspondents of E. W. Wagner & Co. They will conduct a general brokerage business in stocks, bonds, grain, cotton, etc.

H. S. Allen & Co., of Pittsburgh, Pa., have added to their branch sales office. A. C. Hogrebe has been assigned to the southeastern part of the state with headquarters at Philadelphia, while E. P. Duffy will have the northeastern part of the state with headquarters at Scranton.

The Federal Barge Line operating on the Mississippi River between St. Louis and New Orleans carried 45,746 tons of freight during September, of which the greatest item was grain for export. Wheat shipments amounted to 765,000 bushels; corn, 192,590 bushels; oats, 3,000 bushels; flour, 4,200 barrels.

H. Poehler Company of Minneapolis, Minn., one of the oldest grain firms of the Northwest, suspended business October 5, pending a re-organization. It was announced by Alvin H. Poehler, president, that creditors were to be called into a conference. The firm was started at Henderson, Minn., 66 years ago.

J. Fred Wickenhiser of the grain firm of John Wickenhiser & Co., of Toledo, Ohio, was united in marriage on October 1 with Miss Helen Rosebrough, only daughter of Mr. and Mrs. Harry E. Rosebrough of Huntington, Ind. Miss Rosebrough is a graduate of Smith College, North Hampton, Mass., and one of the most popular young ladies of her home city. After a brief honeymoon Mr. and Mrs. Wickenhiser will be at home in Toledo.

Ed. D. Anderson and W. J. Mercer, who have been engaged in the grain business individually on the Indianapolis market have combined their interests and formed the firm of Anderson & Mercer, with offices at 817 Board of Trade Building. Both members of the new company are well and favorably known in Indiana and western grain circles and it is expected the consolidation will bring about a more effective working arrangement and make it possible to carry on all branches of the

business more advantageously to themselves and to the shipper. The firm is member of the Indianapolis Board of Trade, Illinois and Indiana Grain Dealers Association and Grain Dealers National Association.

The La Budde Feed & Grain Company of Milwaukee, Wis., has been organized to conduct a general grain, hay and feed business. Offices are in Rooms 505-506 Chamber of Commerce Building. The principals in the company are Edward and LeRoy La Budde, with Chas. Bothe managing the hay department.

The plans for the establishment of a grain exchange at Atlanta, Ga., in connection with the Atlanta Commercial Exchange have been perfected by a group of grain dealers, brokers and millers operating in and near Atlanta. Sample tables will be installed at the Atlanta Commercial Exchange where samples of corn, oats and wheat will be displayed for the inspection of prospective buyers.

L. W. Ainsworth has succeeded A. J. Cheeseman as secretary of the Des Moines Board of Trade of Des Moines, Iowa. Mr. Cheeseman has accepted the position of District Freight Agent with the Great Northern Railway with headquarters at Des Moines. Mr. Ainsworth held the rank of Lieut. Colonel in the late war and was formerly engaged in the grain business and recent manager of the Western Union at Des Moines.

The Nye-Schneider-Jenks Company was incorporated late in September to succeed the Nye-Schneider-Fowler Company of Fremont, Neb. The articles provide for the issue of \$2,500,000 worth of stock and do not permit the sales of shares to the public for five years. Incorporators were E. N. Mitchell, Isaac E. Congdon and Frank D. Williams. The officers of the company are: Frank L. Carey, Minneapolis, Minn., president; Leslie N. Perrin, vice-president; C. L. Bostwick, secretary;

Walter I. Dean, treasurer. The Omaha business of the company will be carried on under the name of the Nye-Schneider-Jenks Company, Omaha division. It was expected that 199 elevators would be opened early in October.

The firm of Marks & Anderson of Memphis, Tenn., was recently dissolved. David W. Marks has been admitted to membership in the Memphis Merchants Exchange and will handle grain, hay and feedstuffs on brokerage. His office is No. 644 Bank of Commerce Building. L. P. Anderson, who is a member of the Exchange continues the business formerly conducted by Marks & Anderson, retaining their present office at No. 924 Exchange Building.

The grain and hay commission firm of Joseph Gregg & Son at Atlanta, Ga., established in 1903 has been succeeded by M. H. Haym. The change was due to the death some time ago of Joseph Gregg, Sr., and the disinclination of his son to continue the business after the death of his father, who he writes was his partner and best friend. Mr. Haym was for many years in the brokerage business at Savannah, Ga., and Jacksonville, Fla., and has had full experience in all departments of the grain business.

Simons, Day & Co., well known grain firm of Chicago, with offices in the Postal Telegraph Building, announced on October 5, the transfer of all open trades to the Faroll Bros. The trouble, as given out by president Charles Baker, was lack of capital. With most of the company assets frozen and poor business conditions the company decided it was best to retire from business. Other officers of the concern which have been in business for many years are Winfield S. Day, secretary; M. J. Bloom, first vice-president, J. Geo. R. Graham, second vice-president and Elmer C. Kimball, third vice-president.

TRADE NOTES

Martin B. Reilly Company, Inc., of Chicago, Ill., has just installed a 600-bushel Randolph Direct Heat Drier in the Iowa Corn Products Elevator at Des Moines, Iowa.

The W. L. Richeson Company, Inc., freight brokers and forwarders, of New Orleans, La., announced the opening of a new office October 1 at Kansas City, Mo., in Room 515 Railway Exchange Building. It will be under the management of R. M. Wharry.

B. L. Brooks who has been for some time past connected with the manufacturing end of the business of Huntley Manufacturing Company of Silver Creek, N. Y., is now in the sales department. Mr. Brooks has his headquarters at Harrisburg, Pa., and his territory includes Pennsylvania, New York, Maryland and New Jersey.

The Enoz Chemical Company of Chicago, Ill., has just issued a new illustrated booklet on grain elevator and mill infection and its curtail. It treats of ridding the mill and elevator of insects such as weevil, moth, grain beetle, etc. It should be of special interest at this time to Central States grain dealers where the weevil is causing great trouble and loss. A copy of the booklet will be mailed on request.

The sympathy of very many friends was extended to W. L. Vredenburg, vice-president of Sprout, Waldron & Co., of Muncy, Pa., recently on account of the death of his son, Lawrence Vredenburg, which occurred last month in Williamsport Hospital as a result of an automobile accident. Lawrence was the second oldest son of Mr. Vredenburg and was in the drafting room of the Muncy firm. He had a wide circle of friends and was one of the most popular and promising young men on the Sprout, Waldron & Co. force.

The exhibit of the Morse Chain Company at the Textile Exposition in Boston this fall will be found at their usual location in Department A at

space 75. They will have on exhibit here a full line of chain samples and there will be in attendance representatives of this company qualified to give expert engineering advice on transmission problems. This company will also show as the main part of their exhibit a spinning frame end with motor and chain drive in place, mounted on an improved type of bracket designed particularly for application of individual motors and chain drives to old spinning frames such as are now running in many textile mills throughout the country and which have proved entirely successful in service. This exhibit should be particularly interesting to cotton mill engineers as it illustrates a practical method of equipping old spinning frames and twist-ers with individual motors and chain drives and results in increasing the production from these frames to the maximum that can be obtained for any given count of yarn from the latest type of new motor driven frames as supplied by the manufacturer.

CORN exported in August, 1921, aggregated 13,651,559 bushels, as against 781,271 bushels a year ago. Exports of barley and oats were also considerably greater in August, 1921, than in the same month last year.

DURING the last crop year there was more Canadian wheat unloaded at Buffalo than all Canadian ports together. The combined eastern Canadian ports received from the Head of the Lakes 55,270,869 bushels. Buffalo received 57,626,003 bushels, and all American ports received 67,788,708 bushels. The total shipments of wheat from Fort William and Port Arthur from September 1, 1920 to August 31, 1921, were 123,059,577 bushels. All grain received by Canadian ports totaled 99,131,244 bushels; at American ports, 77,679,640 bushels; all grain shipped from Head of the Lakes, 176,810,885 bushels.

NEWS LETTERS

CINCINNATI

HARRY A. KENNY CORRESPONDENT

WHILE trading in the local market during the past month was not brisk, dealers were satisfied with the volume of business under present conditions. Hay prices held firm despite the light demand and this was the real bright feature in the trade. Most merchants say that the farmers are very reluctant to sell their crops at present quotations and are holding them up in hopes of better values during the winter months. Both grain and hay receipts and shipments showed an improvement for the month of September. Receipts of grain and hay for the first five days in October showed an increase of 15 cars over the corresponding period in September.

There has been a very active demand for poultry feeds during the past month, and some of the manufacturers and jobbers have reported good business in this end of the game. In stock feeds demand has not been active due to fine pasturage and cheap grain, along with the fact that stock prices are off, and farmers are not feeding high priced or cheap feeds either to produce fat for a low market return.

Brewers are using a good deal more material now than for some time past, there having been a very active demand of late for the general improved beverages that are being marketed by the leading brewers.

The name of Alfred Gowling, grain and hay dealer, with offices in the Union Central Building, has been mentioned for the postmastership of Newport, Ky., where he and his family reside. Mr. Gowling, who is active in Republican politics, was a candidate for mayor in Newport several years ago, but was defeated by a small margin.

J. H. Dorsel, vice-president of the Dorsel Milling Company, Newport, Ky., has been elected a member of the Kentucky Manufacturers' Association which was organized recently to promote business in the Blue Grass State.

Among the Cincinnati grain dealers who attended the Grain Dealers National convention at Chicago were: Max Blumenthal, D. J. Schuh, of the Early & Daniel Company; A. C. Gale; and George Munson, grain supervisor for the United States Government in Cincinnati.

Considerable new business is being brought to Cincinnati by the bureau recently established in the Agricultural Department of the Chamber of Commerce, for bringing to the attention of local buyers opportunities for purchasing farm products at an advantage and also for supplying the agricultural interests with information concerning Cincinnati as a buying and selling market. Within the last few weeks a number of new connections have been established by the bureau between local concerns and farm organizations in various states of the South and the Middle West.

Arrangements for the return of the Cincinnati Grain and Hay Exchange to the Chamber of Commerce and the removal of the Grain and Hay Exchange to its former home on the floor of the Exchange Hall have been completed by the Board of Directors of the two organizations. The return of the Grain and Hay Exchange to the Chamber of Commerce is taken as a move to a greater effort of the two bodies toward making Cincinnati one of the largest hay and grain markets in the country and ends a three year separation of the two organizations. The Grain and Hay Exchange left the Chamber of Commerce early in the spring of 1918, following a dispute as to the operation of the Exchange on the floor of Exchange Hall, the Exchange moving to headquarters in the Gwynne Building where it has been located since.

Some months ago the subject of re-affiliation of the two organizations was taken up and members demanded its consideration. At their instance the boards of the two organizations appointed James A. Reilly, president, and William C. Culkins, executive secretary of the Chamber of Commerce, and Emery M. Brouse, president and B. J. Drummond, executive sec-

retary of the Cincinnati Grain and Hay Exchange, as a joint committee to work out plans for the affiliation.

On account of the peculiar corporate organization of the Cincinnati Grain and Hay Exchange it was deemed advisable that a voluntary organization known as the Exchange should be the medium of affiliation. The Grain and Hay Exchange heretofore has been operated by the Cincinnati Grain and Hay Exchange Company, an organization operated for profit, with members holding stock in it. The Chamber of Commerce being an organization founded not for profit could not affiliate with this in view.

Following a brief discussion as to the calling of the two boards together Mr. Culkins presented the following resolution to the members of the Board of Directors of the Chamber of Commerce:

Whereas, It is deemed expedient for the mutual interest of both parties concerned that closer relations be maintained to the end that matters of vital importance to the city's welfare may have the undivided support of its business interests.

Therefore, be it resolved by the Board of Directors of the Cincinnati Chamber of Commerce, in accordance with the provisions of Article 12, Section 1, of its by-laws, that the Grain and Hay Exchange become an affiliated body under the following terms, to-wit:

1. That the Chamber of Commerce approve the by-laws of the Grain and Hay Exchange in so far as they are compatible with its own by-laws; leaving to the Grain and Hay Exchange the promulgation of such trade rules and regulations as it may deem necessary for the proper conduct of its business.

2. That the Grain and Hay Exchange provide in its by-laws, as a necessary precedent and qualification to membership therein, that all persons admitted by it shall exhibit satisfactory evidence of and maintain in good standing a membership in the Cincinnati Chamber of Commerce so long as they remain a member of said Grain and Hay Exchange.

3. That in event it becomes desirable that both organizations occupy quarters in common, the Chamber of Commerce will provide the necessary facilities for the proper conduct of the business of the Grain and Hay Exchange.

4. That in consideration of the provisions of paragraph three (3) above, the Grain and Hay Exchange will reimburse the Chamber of Commerce for any and all additional expenses incurred in providing facilities exclusive of the use of the Exchange Hall and quarters for the executive offices.

5. That the provisions of this resolution shall become effective at and when all the terms have been complied with on the part of the Grain and Hay Exchange.

This resolution was seconded and upon vote of the Directors of the Chamber of Commerce present was carried.

G. S. Maguire, one of the oldest members of the Cincinnati Grain and Hay Exchange, on behalf of the organization then offered to its Board of Directors the following resolution:

Whereas, It is deemed expedient for the mutual interest of both organizations that the Grain and Hay Exchange become an affiliated body with the Chamber of Commerce.

Therefore, be it resolved by the Board of Directors of the Cincinnati Grain and Hay Exchange that the resolution of the Board of Directors of the Chamber of Commerce relating to the affiliation of the two organizations is hereby concurred in and ratified on behalf of the Grain and Hay Exchange.

This resolution was carried.

B. J. Drummond, executive secretary of the Grain and Hay Exchange, laid a plan for making Cincinnati a greater market before the directors of the two organizations.

Mr. Drummond in addressing the meeting said:

"By your act you have opened the door of Opportunity, whose knock was so insistent that he who could not hear it must indeed have been in urgent need of the service of an aurist.

"Without recapitulating the errors of the past we must forgive and forget and re-unite, devote our energies to meeting the problems before us and together solve them.

"It is apparent that the resources back of Cincinnati are not only ample but larger than back of other primary markets. There is no fundamental transportation difficulty that has not already been removed or that can not readily be removed. We have the resources behind us and the market before us, now let us turn to some of the difficulties in the way of development that can be removed by our efforts."

It probably will be some time before the physical affiliation of the two organizations takes place as the Cincinnati Grain and Hay Exchange is bound by a lease to its quarters in the Gwynne Building until March, 1922. Efforts will be made to effect a cancellation or transfer of the lease by January 1, but if this can not be done the affiliation will not take place until after the lease expires.

Four suits to recover balances alleged to be due on contracts to supply hay, grain, etc., to Army camps in 1917 were filed in the United States District Court by the Dewey Bros. Company, Blanchester, Ohio, hay and grain dealers, against the United

States. In the petitions it is charged that contracts were entered into by the company with the Quartermaster Corps of the United States Army. Under one of the contracts the plaintiff says, it supplied approximately 9,800,000 pounds of hay, 2,900,000 pounds of straw and 1,000,000 pounds of bran delivering the same to Camp Gordon, Ga. It is charged that the value of the shipments totaled \$152,302.51 but that only \$144,394.49 was paid by the Government. It asks for the balance of \$7,908.02 with interest and costs. Similar allegations are made with respect to a contract for grain delivered to Camp Wadsworth, S. C., under which it says the Government owes \$5,707. Breach of a contract to purchase from it hay and bran for delivery to Camp Sheridan, Ala., is charged in the third suit and damages for \$2,698.90 and \$2,458.40 with interest and costs are sought. In the fourth action the plaintiff seeks \$444.11 with interest alleged to be due on a carload of hay delivered to Camp Lee, Va.

Elmer Vose, general manager of Bingham-Scholl Company, was at his desk the latter part of last month, having recovered from an illness which kept him at his home for several weeks.

Yeggs who blew a safe in the office of the Kenton Grain & Hay Company, Latonia, Ky., evidently did not believe in signs. Henry Heile, manager, had posted a notice on the safe, which read as follows: "This safe has been blown before—there's nothing here."

Heile, explaining the notice, said that the safe had been blown four times during the last 15 years. The yeggs used nitroglycerine to blow the doors from the safe.

NEW YORK
C. K. TRAFTON - CORRESPONDENT

MEMBERS of the New York Produce Exchange, and particularly those in the grain trade, were greatly pained and shocked to hear of the sudden and somewhat tragic passing away of William Mangam McCord, head of the firm of Henry D. McCord & Son, Inc., which firm has for years been prominent in the domestic grain trade, as well as in the exportation of grain to tropical markets. Mr. McCord, who was only 58 years of age, had been attending business regularly up to the day of his death. In fact, that very day he had been playing golf, at which he was considered an expert, and on his return to the city had visited his doctor's office, where he dropped dead as a result of an attack of acute indigestion. Mr. McCord was a son of Henry D. McCord, who was at one time president of the New York Produce Exchange.

Charles A. (Gus) Robinson, of Robinson & Sweet, prominent grain merchants, received a hearty welcome from his old friends and associates on the New York Produce Exchange late in September, having just returned with Mrs. Robinson after a seven months' pleasure trip in Europe. Most of the time they spent in France, Switzerland, Belgium and Holland. They covered about 4,000 miles, traveling principally by auto, which enabled them to inspect many battlefields. While conditions have improved somewhat since Mr. Robinson visited Europe two years ago, progress has, nevertheless, been slow and in his judgment it will be years before normal is reached.

Robert Edelstein, manager of the Transatlantic Brokerage & Export Company, recently returned to his post on the New York Produce Exchange after a two months' business trip in Europe, during which he visited Holland, Germany, Belgium, France and England. In his opinion Europe would need to import freely of feedingstuffs because of the long draught, but in order to do so long credits must be arranged.

The Board of Managers of the New York Produce Exchange have admitted the following applicants to membership: Forest L. Virtue of P. N. Gray & Co., Inc., export and import; George W. Adair of the International Elevating Company, grain elevators; Thomas L. Lashley of the Atlantic Flour Company;

R. G. CHANLER
Chicago

NEWS OF THE TERMINAL MARKETS

A. E. RUST
Cairo

REDUCTION IN INSPECTION FEES

The Minnesota State Grain Inspection Department announced the following changes in inspection fees to become effective October 1: Corn and flax \$1.25 per car; all other grains \$1 per car.

ADOPTS OFFICIAL STANDARDS

The Memphis Merchants Exchange of Memphis, Tenn., recently adopted as its official standards the grades for grain sorghums recommended by the United States Department of Agriculture.

CURB SESSIONS ABOLISHED

After an existence of 43 years, the curb sessions of the grain market on the St. Louis Merchants Exchange, St. Louis, Mo., have been abolished. The action was taken following the passage of the Capper-Tincher bill which imposes a tax of 25 cents a bushel on all curb transactions in grain.

RETURNS TO CHAMBER OF COMMERCE

An agreement was entered into early in October by which the Grain & Hay Exchange of Cincinnati,

reached and with colder weather which is now with us, the feeding demand will be stimulated and it is confidently expected that the Eastern consumers will take a much larger quantity of feeding grains during the fall and winter through this market than was the case last year when the home grown crops were large and bins and warehouses filled with high priced feeds.—*J. G. McKillin, Inc., Buffalo, N. Y. Market letter of October 12.*

J. ROSENBAUM GRAIN COMPANY EXPANDS

The growing business of the J. Rosenbaum Grain Company of Chicago is constantly requiring more office space. They are now occupying practically one-half of the fourth floor of the Postal Telegraph Building. Their offices are being remodeled and among the changes made is a new customers' and



W. C. WIEGAND

private wire room, which represent everything that is required in an up-to-date brokerage office. A new feature of their business is the addition of a department for handling orders for stocks and bonds. The natural growth of a country-wide business, both domestic and foreign, is responsible for the new features.

Wm. C. Wiegand, who has been in the grain and stock brokerage business since 1897, has been in charge of the customers' room since its opening September 1. He is writing the market letters of the firm and we can say that, being in close touch with conditions and an able writer, his letters prove of great interest. "Bill" Wiegand naturally hopes to hear from his old friends and from those who wish to receive his market letter. They will be sent free to all inquiries.

CLEARANCES OF CORN LARGE

Corn and oats are down below many pre-war years. Wheat is still averaging higher, but does not face the pre-war competition of Russia, which had an exportable surplus averaging 160,000,000. This year she may require 40,000,000 from North America. Argentine after shipping very sparingly came through with 1,765,000 this week. Our exports are estimated by Bradstreet's at 8,672,000.

Clearances of corn for the week total almost 4,000,000, bringing the total of over 37,000,000 since July 1, compared with slightly over 1,000,000 for the same period last year.—*Southworth & Co., Toledo, Ohio. From late Weekly Market Review.*

FAIR DEMAND FOR CORN

Our market has not suffered quite as much in this severe liquidation and decline, as other markets, on account of our being primarily a Soft wheat market. The demand for Soft wheat has been good all the way through, and while we have had a break of 20 cents from the top, we have recovered 5 or 6 cents of it in the last few days and the demand for Soft wheat is very sharp. On the Hard wheat, it is quiet and we are almost totally dependent upon the export demand, which has been very slow for the last three or four weeks. There is a gradual lessening in the advices of shipments and we look to see the receipts of wheat get down to a very small proportion in the next two or three weeks.

It looks as though this big run of corn is over



NEW CUSTOMERS' ROOM

Ohio, which has been holding its sessions in the Gwinn Building for more than three years, will return to the Chamber of Commerce and resume its former location in the Union Central Building. It is reported they will be back by January 1.

SECOND LARGEST CORN MARKET

Milwaukee is said to be now the second largest corn receiving market in the world, on the basis of figures of receipts, so far this year. It is only surpassed by Chicago having outstripped both St. Louis and Omaha. Of the 1920 crop, Milwaukee has received 24,478,000 bushels compared with 13,926,000 last year. The heavy increase is said to be due to the unusual facilities offered by Milwaukee elevators for shipping by lake to eastern and Canadian ports.

SPOT GRAIN AT BUFFALO

The spot grain market in Buffalo for the past two weeks has been a very dull affair and quotations have largely followed the course of the futures market. Receipts have been exceedingly light and under normal conditions these light receipts would have created good spot premiums, but the fact that the trade has been able to buy at a less price each day, has resulted in their adopting a hand to mouth attitude and the small receipts have therefore been ample to satisfy the limited demand. This waiting attitude on the part of the trade, however, has created an underlying condition of strength which will be in evidence as soon as it appears that a turn in the situation has been



WIRE DEPARTMENT

for the present, although some of the interior elevators are pretty well loaded up yet. There is a fair demand here for strictly Yellow and White corn, both for domestic and export use. Cuba and Mexico are in the market now for White corn and they are taking a reasonable amount of it. We do not look for much advance in this corn, but rather expect the demand to be equal to the supply from now on. We are inclined to think there really ought to be a little further advance in corn.

We have had a pretty good demand for oats right along and offerings have been pretty well cleaned up each day. Of course we had the natural decline in the market, in sympathy with other grains, but the demand for oats has been keen at all time. We look for considerably further advance in oats. There is hardly any demand here for rye, except a few cars to go to outside feed and seed dealers.—*Elmore-Schultz Grain Company, St. Louis, Mo. Market letter of October 12.*

GOOD STOCK OF OATS HELD

Receipts of oats have been somewhat lighter here but owing to the very light demand prices are easily influenced downward by lower western quotations. Good stocks are held in elevators here and therefore receipts, while light, do not influence the market values for spot grain.

Receipts of corn have been fairly good under slow inquiry. Western quotations continue on a decline and our market easily follows. Stocks of corn are accumulating slowly here. Eastern corn is now being sold to local trade and as the new

crop is of good quality this is shutting off demand from terminal markets considerably. Country offerings of corn are free and price does not seem to be an object.—*Harper Grain Company, Pittsburgh, Pa. Market letter of October 12.*

ELEVATOR AND MILL STOCKS FAIR

Receipts of wheat are moderate, but there is a good demand for milling grades of the Soft variety and the Red Winter is going to a substantial premium over Hard and mixed grades. Elevator and mill stocks are fair, but not excessive.

Receipts of corn are light for old crop—no new crop has been received as yet. There is a fairly good demand for old Yellow corn. A few cargoes of Yellow and mixed corn are being worked through this market.

Our receipts of oats are unusually light for this time of year, with slow demand. Reported that some business is being worked in cargoes for winter storage to come down at close of navigation.—*Cleveland Grain & Milling Company, Cleveland, Ohio. Market letter of October 12.*

BARLEY FUTURES AT MILWAUKEE

From the manner in which future trading in barley on the Milwaukee market has begun, traders look for a satisfactory and growing business in this commodity. All the machinery necessary for future transactions is in working order, regular storage and grades have been changed to a quality that assures to the malsters taking delivery, a barley that is suitable to his manufacturing requirements.

No. 2 is the grade deliverable at the contract price, and No. 3 is deliverable at a discount of 7 cents per bushel under contract. The elevators designated by the Chamber of Commerce as "regular" storage warehouses are Taylor & Bournique Company's Elevator "E" and Donahue-Stratton Company's "Rialto" Elevator.

FIRST CAR OF CORN ARRIVES

Receipts of corn recently have been fair, with values declining, in sympathy with the break in other markets. The Corn Products plant continues to be the heaviest buyer here and there is evidence of some business for shipment being done. The domestic demand East has not been urgent, but if the market showed signs of holding steady, we believe there would be an improvement in the demand from that section as advices received from our eastern brokers indicate that stocks in that territory are not large. Notwithstanding declining prices, the country has been free sellers of old corn. We believe the amount of new corn bought to come to this market is not large. The first car of new corn arrived on this market several days ago, shipped from La Fayette, Ill. It inspected No. 4 Yellow, showing a moisture test of 18.2 per cent, and the quality was fairly good.

Receipts of oats have been fair with values showing a decline, the same conditions existing in this cereal as in corn. The shipping demand is not active, although there has been some business done to go to southern markets. Country acceptances on bids have not been free.—*Mueller Grain Company, Peoria, Ill. Market letter of October 12.*

WAGNER ON WHEAT

To October 1, U. S. wheat for export surplus can be guessed 55 to 85 (millions), dependent on whether you can use 600 to 630 for full U. S. uses. At 85 October 1, the November 1 surplus might be 55 or 60 with the chance of 15 to 25 January 1, 1922.

U. S. wheat and flour exports July 1 to September 1 are 97 (millions). U. S. wheat visible or 55 can hardly exceed 60 and should reach tops in late November or early December. Of the visible about 17 is at seaboard and gulf points. Minneapolis and Duluth hold 7 (millions) a small total.

The small Canadian wheat crop is guessed 265 to 290 (millions), with latest news suggesting near 290 of which 210 may be available for export. America continues to contribute 90 per cent of world's weekly wheat exports.

Latest reports suggest October 1 old wheat export surpluses of—(millions)—Argentina 30 to 40

—Australia 15 to 20, France may import 32, Italy 73 and India 40. New crop news suggests wheat surpluses ready in January. Argentina 120 and Australia 80 to 90. World business news remains conservative as regards large wheat advances. The grain foreign trade has returned to private hands. Europe requires cheap bread, U. S. economics outline even reasonable living costs in all lines.

Winter wheat farmers may prove astute after all. Impressed by the near bankruptcy corn and oats price and business drowsiness they have sold and shipped their wheat. It must be admitted that most signs are in favor of the permanent arrival of old time wheat levels.

October and November—Canada will continue to thunder out its big wheat crop. Northern Saskatchewan has a record yield. Long wheat bulges of the 10 to 20 cent kind at the moment are, of course, opposed by the liberal visible and no chance of wheat scarcity for some months.—*E. W. Wagner & Co., Chicago, Ill. From Market letter of October 12.*

ELECTION AT MINNEAPOLIS

The annual election of officers on the Minneapolis Chamber of Commerce, Minneapolis, Minn., was held October 6 and resulted as follows: For presi-



J. H. McMILLAN

dent, J. H. McMillan; first vice-president, T. C. Vau Dusen; second vice-president, H. S. Helm.

Directors for two-year terms: Shreve M. Archer, J. H. McCarthy, Sr., John S. Pillsbury, A. L. Searle, B. H. Woodworth.

Directors for one-year term: W. J. Russell, E. E. Mitchell.

Board of Arbitration, two-year term: Asher Howard, T. J. Sidle, A. T. Owen.

Board of Appeals, two-year term: J. A. Mull, Paul C. Rutherford, Clyde G. Williams.

FACTS ABOUT WHEAT

Bread is the staff of life and will always find a ready demand. At present, farmers are marketing more wheat than the markets can digest. Visible supply keeps increasing and it makes a heavy load for speculators to carry. The invisible supply is evidently much larger than the trade has figured. Farmers evidently did not take advantage of the high prices last May and this wheat is now coming on the market. Galveston elevators are full. Side tracks are full of loaded cars. Foreigners are foxy. They satisfied their immediate needs during harvest and are now waiting to buy wheat at their own price. They can afford to await more definite news from Argentine. Outlook there at present is very favorable. Any serious damage will be reflected in a more active demand for our wheat. December wheat can easily sink to the dollar level or below under present heavy receipts, unless ex-

port demand improves. If foreigners take the surplus, at present hanging over our markets, wheat will be in position to advance.

Watch export news. Don't overtrade, and be careful of sharp breaks. Demand is likely to appear when least expected.—*C. A. King & Co., Toledo, Ohio, from Late Special Market Report.*

CAIRO OFFERS ITS BARGE LINE SERVICE

So far as the situation in this market is concerned, we continue to feel the effect of the heavy corn crops South, this corn being fed to the exclusion practically of all manufactured feeds as well as the grain that is usually shipped from the North to the South at this period of the year. We do find, however, by direct correspondence with numerous customers and friends that we have throughout the Southern States that the conditions, generally in that section are very decidedly improved, owing to the higher price now prevailing for cotton and some of our correspondents write us to the effect that they are in most excellent shape, financially, and are collecting their old bills in a way that is indeed pleasing.

Altogether, we do not see much in the situation to encourage the belief that any business of decided consequence can possibly be effected, until well along in the winter. After that period we expect to see a most decided improvement and we are hopeful that we will not be disappointed.

So far as the wheat in this section is concerned, it is practically all moved, new corn will be coming on the within the next week or 10 days, all depending, of course, on weather and other market conditions.

The big thing, so far as the Cairo market is concerned is the service, now being given by the Mississippi-Warrior Barge Line Service, Cairo to New Orleans. It is recognized by these people and by shippers generally through the Central States that Cairo is the head water of navigation on the Mississippi River for a 12 months' period. As a consequence, we have a wonderful new dock here and this dock is being used to its capacity right now. We have frequent sailings, Cairo to New Orleans and frequent arrivals, New Orleans to Cairo. The barge service, we believe, is one that will be patronized by the shipping public, to a very great extent, freight rates being 20 per cent less than the all rail rate.

We believe shippers of grain, especially for export through the port of New Orleans, will do well if they will give this Barge service their careful consideration, investigate its advantages and if this is done, we are very confident they will profit thereby.—*Halliday Elevator Company, Cairo, Ill. Market letter of October 12.*

CHANGES IN MEMBERSHIP

Baltimore.—New members recently elected to membership on the Chamber of Commerce are: John de Wit, Baltimore International Steamship Company; Edward S. Neilson, Division Freight Agent, Pennsylvania Railroad Company; Claude E. Clifton, Millers' Agents. The memberships of Stephen L. Stackpole and John Sonderman have been transferred. Reported by Secretary James B. Hessong.

Chicago.—Memberships on the Board of Trade have been granted the following: D. Durbin, A. S. Jackson, Jr., Robt. C. Wheeler, Geo. C. Bulloch, Jesse H. Ridge, and Fred Hanssen. The membership of the Estate of C. W. Hammill, Estate of Frank Clifton, Herman Hahn, Ralph Stoner, E. F. Hoxey and A. J. Pollak have been transferred. Reported by Secretary John R. Mauff.

Cincinnati.—The T. M. Dugan Grain Company has been admitted to membership on the Cincinnati Grain & Hay Exchange during the past month. Reported by Executive-Secretary B. J. Drummond.

Duluth.—Clement K. Quinn, John R. McCarthy, Louis N. Ritten, W. J. McCabe, Jr. and O. E. Harris have been elected to membership on the Board of Trade. H. P. Watson, John D. Shanahan, Mark G. Magnuson, Burr Porter, G. C. Sullivan and W. B. Parsons have withdrawn their memberships on the exchange. Reported by Secretary Charles F. MacDonald.

it is a little below the high point. Total receipts for last week were 1,071 carloads, compared with 1,173 carloads the week before, 584 cars a year ago and 665 cars for the same week of 1919. These figures indicate that grain receipts are about twice as large as a year ago.

Receipts for the past week were made up of 581 carloads of corn, 128 cars of barley, 242 cars of oats, 93 cars of wheat, 24 carloads of rye and 3 cars of flax. These figures also show that considerably more than half of the grain coming is corn.

Grain men predict that the heavy run of grain is likely to keep up for some time, despite the generally declining prices. It is asserted that farmers in many cases have to sell their grain at once to get funds, or have to move it to get the necessary room. Besides, the outlook for prices in the future is not considered encouraging, a large volume of grain being left to sell.

Among the new memberships are A. J. Pick of the West Bend Malting Company and B. F. Siegert of the Fraser-Smith Company of Milwaukee. Among the memberships transferred are those of S. F. Meyer and James A. Butler.

Word has just been received in Milwaukee that the Chicago, Milwaukee & St. Paul Railroad handled 106,000 cars of freight last month as compared with 126,000 carloads for the corresponding month a year ago. This indicates loading of about 16 per cent less than a year ago, the smaller decline being due in large measure to the heavy grain movement.

Latest figures on Milwaukee corn receipts put the city back in second place among the primary markets. A year ago the city ranked sixth among primary markets for receipts of corn. Now it is back in second place, having outdistanced St. Louis in the race for the largest corn trade. A few days ago St. Louis held second place.

The figures now indicate receipts of corn on the present crop of more than 25,700,000 bushels, which is about 1,300,000 bushels ahead of St. Louis. For some years Milwaukee was the second largest corn marketing center, and the city seems able to retain this rank, although bowled out of this position temporarily.

Larger and larger boats are carrying grain out of Milwaukee. Recently vessels 540 feet long have been loaded at Elevator "E," despite the two turns in the water course. One ship 550 feet long and 58-foot beam and drawing 31 feet of water recently loaded at the same elevator, although it was believed that 430-foot ships were the largest that could be accommodated. Walter J. Fitzgerald, vessel agent, has arranged most of the large grain cargoes which have recently left the city for Ontario.

Milwaukee's new harbor system, long a bone of contention, is again in the limelight. A committee of the council had before it the proposition of hiring more engineering talent to see if the present harbor plans are correct. President W. G. Bruce of the Harbor Commission; Herman Bleyer, secretary of the Commission; Mayor Daniel Hoan and other officers gave their views, showing that the Harding Harbor Plan as adopted is not detailed and that further engineering advice would be employed before piers are built and warehouses located.

Wisconsin will have a short crop of grain, according to the latest official figures, the yield having been cut 5,000,000 bushels more in the last monthly report. The total of small grains in the state will not be more than 81,000,000 bushels, in round numbers, compared to 86,000,000 bushels for the month previous and 137,000,000 bushels a year ago and 126,000,000 bushels as the five-year average.

The oats crop of the state proved even lighter and poorer than expected. In the last month, yield was cut from 65,000,000 bushels to 60,000,000 bushels, which compares with 107,000,000 bushels a year ago and a five-year average of 93,000,000 bushels. This indicates a crop about one-third less than the usual average.

The barley yield of the state is about 10,000,000 bushels, compared with 15,000,000 bushels a year ago and 19,000,000 bushels as the five-year average. The barley yield is also one-third less than last year.

The wheat yield of Wisconsin is also short with a little more than 3,000,000 bushels as compared with 5,000,000 bushels a year ago and a five-year average of 6,000,000 bushels. The yield of wheat is therefore one-half of the average.

The rye crop of Wisconsin is estimated at a little more than 6,000,000 bushels as compared with 7,700,000 bushels last year and a five-year average of 7,500,000 bushels. The rye yield is therefore about one-sixth less than the normal.

The corn crop is the only one of the grains that shows up well, with 81,000,000 bushels as compared with 86,000,000 bushels last year and a five-year average of 59,000,000 bushels. The corn yield is not as good as last year, but it is one-third better than the average for the last five years.

This is one of the poorest grain years in Wisconsin for many years, with the exception of corn.

DULUTH

S. J. SCHULTE - CORRESPONDENT

A STAY prohibiting the operation of the Minnesota Railroad and Warehouse Commission's recent order requiring houses on the Duluth Board of Trade to report daily all individual transactions in grain futures, has been granted by Judge W. A. Cant in District court here. The Commission's order was designed to defeat grain deals in violation of the state law prohibiting gambling in futures. The order was drawn under the terms of the law passed at the last session of the Minnesota state legislature, which prohibits gambling in grain, but permits legitimate hedging. Members of the Board of Trade claimed their appeal against the order that its requirements were of such a nature that it was impossible to comply with them. It was contended that the order would impose an enormous amount of clerical work upon grain commission houses, which would interfere with the prompt transaction of their regular business, and would entail large expenditures. It is the general opinion in grain trade circles here that the commission will call the order off, or else that a satisfactory compromise will be reached.

R. W. Gray has been appointed Chief Deputy State Grain Inspector at Duluth, succeeding A. C. Smith who has been appointed chief deputy at Minneapolis. Mr. Gray has been associated with the Inspection Department at Duluth for more than 25 years, but prior to his acceptance of his present position he was chief deputy at St. Paul. His promotion is regarded as having been well deserved among the trade on this market.

Charles F. Ingersoll of Crookston, Minn., has been appointed a member of the Duluth Board of Grain Appeals, succeeding H. P. Bjorge who had served several terms on the Board. Mr. Ingersoll had served a term on the Board before, having been replaced by Louis Hanson. The other member of the Board is John Owens. Duluth Board of Trade Directors have congratulated Governor Preus upon his action in appointing Mr. Ingersoll, and commend him for having taken the appointment out of politics and making it upon the qualification of merit.

The weevil and the "bran bug" have made their appearance in Duluth, and elevator interests here are prepared to take drastic steps to check their spread, even to the extent of fumigating cars of wheat and other grain before unloading them, if thought necessary. Up to the present these pests have been confined to grain originating in Winter wheat territory, but recently the bran bug was found in a car of Spring wheat loaded at a North Dakota point, and it was also found in a few cars of oats. Grain men here do not think, however, that there is much danger of those pests becoming a serious factor here on account of climatic conditions, the low temperatures in the elevator bins appearing to have the effect of killing them off. They admit, though, that the bran pest presents a new problem, and that energetic action may be necessary to stamp it out. Minneapolis elevators were the first to have to combat the bran bug on account of handling more grain from Omaha territory and three of the elevator companies there have been fumigating all cars before unloading them.

Oats is one of the departments in which operators have been hard hit here this fall. Their spot quotation dropped from 35½ to 28½ cents during the last month, and from present indications it is thought the bottom has not been touched yet. Stocks of oats have been accumulating in the elevators here since last spring and they now aggregate 5,200,000 bushels. In addition 550,000 bushels are afloat in the harbor. At the outset traders in oats had counted upon an export demand that failed to develop, and handlers have been carrying along their holdings in hopes of something turning up.

Operators on the Duluth market are of the opinion that the passing of state and Federal restrictions upon trading on the markets has acted as a boomerang against the agricultural elements who promoted them. The drastic declines in quotations of wheat and coarse grains that have come about on the exchanges during the last few weeks are attributed here to lack of buying power through the cutting off to a great extent of buying by speculators which has in the past ordinarily served to take up the slack. It is pointed out that under the present regulations operators have been holding a close rein over their commitments, and it has therefore been found difficult to absorb the heavy receipts that have been the rule since the movement of Winter wheat began last July. Duluth specialists in the export trade have pointed out that Canadian wheat has had the advan-

tage in the British markets this fall on account of the difference in sterling exchange and quotations and trading conditions generally running in favor of the Winnipeg market. A member of a Duluth export house asserted that his information has been that foreign interests overbought last summer when the drought scare was at its height and that they have since been unloading a portion of their contracts.

Duluth houses with Winnipeg connections have received advices to the effect that serious deterioration has been sustained in wheat and other grains that are still unthreshed over wide areas of the West on account of wet weather conditions. A Winnipeg man, who was a recent visitor on the Duluth market, asserted that considerable wheat had sprouted in the sheaves over northern Saskatchewan. He looked for damp wheat to furnish a problem for the elevators during the winter months. A similar condition developed nine years ago when it was found necessary to ship considerable Canadian wheat to Duluth to have it dried out.

Duluth Board of Trade memberships changes during the last month included the following: Membership of H. P. Watson transferred to Clement K. Quinn; that of John D. Shanahan transferred to John R. McCarthy; that of Mark G. Magnusson to L. N. Ritten; and that of Burr Porter transferred to W. J. McCabe, Jr.

George F. Foster, manager of the Duluth Clearing house, put up the cigars one day recently for members of the Board. The occasion was the arrival of a young daughter at his home.

A. Laird Goodman, manager of the Duluth Universal Milling Company was given a rousing reception on the Board trading floor on the occasion of his return from his honeymoon. The boys enjoyed the cigars at his expense.

Northwestern Minnesota which has for years held a high rank as a root crop producing territory, made a good showing in raising wheat this year as a result of the unusually hot weather conditions last summer. Some farmers in the Hibbing district raised wheat that ran as high as 25 bushels to the acre. The first carload of wheat ever shipped from any station in Cook County was shipped in over the Canadian National Railroad to Duluth recently. It graded No. 2 Northern and brought a top price from a local milling company.

Fees for unloading and inspecting grain in carlots on the Duluth market have been reduced by the state weighing board to \$1 for wheat and all grains except corn and flax, and the fee for inspecting and loading cargo wheat and other grains into vessels has been made \$1 per 1,000 bushels. For similar service in handling corn and flax, the fee is \$1.25.

The vessel rate for wheat shipped from Duluth and Superior elevators for Buffalo delivery is 2¼ cents for October shipment. The volume of chartering fell off during the first 10 days of this month owing to wet weather having interfered with shipments from the country to the elevators, but marketing is picking up again. Some vessel space for late shipment to include winter storage has been chartered at 3½ cents a bushel. It is expected that considerable winter storage space will be taken on boats on account of expected elevator congestion at Buffalo during the closing weeks of the lake shipping season.

A. L. Scarle, manager of the Peavey Elevator Company, Minneapolis, was a recent visitor on the Duluth market on his return from a trip to Winnipeg. He asserted that the Peavey elevators in the Canadian West and at Port Arthur have handled more grain so far this fall than any previous period in their history. That was attributed to the efforts of growers and the trade up there to get as much grain as possible shipped this fall before the close of the lake navigation season.

Earl N. White of the White Grain Company attended the annual convention of the Grain Dealers National Association at Chicago. He asserted that delegates at the convention appeared to have their fighting clothes on as regards sticking up for their interests and accustomed rights in the handling and marketing of the country's crops. Delegates from the corn districts were none too cheerful on account of the ruinous level to which the price of corn has dropped.

Commission houses here may be relied upon to contribute their influence towards bringing about a reduction in freight rates on grain. They contend that the present high rates are paralyzing the trade and are a dead-weight upon grain growers over the Northwest. As an example of handling conditions, the manager of one house mentioned that it had paid a freight charge of over \$5,000 upon a car of flax shipped from a Montana point. The freight amounted to about half what the shipper received.

BUFFALO

ELMER M. HILL CORRESPONDENT

MILLIONS of bushels of American grain for export to Europe have been diverted from Buffalo to Montreal elevators this season because shippers have availed themselves of the low carrying charges both on the all-water route through the St. Lawrence to the sea and the part-rail route over Canadian lines. While Buffalo has been able to hold some of the grain business, the volume is not what it would have been had rail rates between Buffalo and the seaboard been on a par with those quoted shippers in the Northwest who were routing cargoes into Montreal.

While the New York Barge Canal rates are virtually on a level with those of the Canadian route, there is a scarcity of barges on the New York state waterway, limiting the amount of grain that can be handled. The barge canal, with its limited equipment, has been handling capacity business in an entirely satisfactory manner, grain men say, and they anticipate that next season larger fleets of barges may result in bringing back to Buffalo much of the grain business that has found its way into Montreal this year.

One Buffalo shipping firm has in the last two months carried more than 5,000,000 bushels of grain from Buffalo elevators through the Welland Canal, Lake Ontario and the St. Lawrence River to Montreal for export, all of which probably would have been handled through the New York State Barge Canal if there has been sufficient boats. The Duluth-New York barges operating via the Great Lakes and the barge canal have been doing a capacity business handling grain, and the construction of more of these 1,000-ton boats is expected before the opening of navigation next spring.

Most of the grain moved to Montreal from Buffalo was brought down the lakes in large 500-foot carriers, elevated at Buffalo and reloaded into small Welland Canal size ships for shipment to Montreal. Rates by rail between Buffalo and New York are about two cents a bushel higher than the water route between Buffalo and Montreal. In routing part water and part rail from Port Arthur and Fort William to Montreal, grain shippers in the Canadian Northwest have been able to show a carrying charge of nearly 5 cents under the water route to Buffalo and rail to New York. By making payments in Canadian currency, a further saving is shown, which, it is declared, entirely offsets the higher insurance rates prevailing in Montreal.

No trace of Herbert T. Morey, former president of Herbert T. Morey, Inc., grain broker with offices in the Chamber of Commerce, has ever been found. He disappeared more than a year ago, a short time after proceedings were brought against him by Henry T. Burns for the recovery of about \$3,000.

Lake front grain elevators have been giving good dispatch to carriers arriving from the upper lakes. There has been no sign of a congestion at any time and there is no delay in getting cars for movement of export grain East.

The Consolidated Feed Dealers Association, Inc., has been organized, with executive offices in the Chamber of Commerce Building. The purpose of the Association, according to leaders in the movement, is to meet and overcome competition by farmers' associations by means of co-operative buying on the part of the members of the Association. Cecil B. Seay of Seay-Campbell Company of Binghamton is president of the new organization. H. Clay Shaw of the Buffalo branch of Taylor & Bournique Company, of Milwaukee, has been engaged as buyer for the Association.

The New York State Grange League Federation Exchange, the co-operative farmers' grain selling and buying organization, is rebuilding its grain elevator on the Niagara River which recently was destroyed by fire. Plans call for the expenditure of more than \$20,000 in rebuilding the structure of concrete. Detailed plans have not yet been announced by the organization. Leslie R. Veatch is the consulting engineer who is drawing the plans for the structure. The new structure will be on the site of the old building.

Spencer Kellogg & Sons, Inc., operators of the Kellogg Grain Elevator on the Buffalo River, have secured a default judgment in City Court against the Curtiss Grain Corporation for \$808.75.

A large number of Buffalo grain and elevator men have rallied to the support of the campaign for \$1,000,000 with which to build a Buffalo Athletic Club in McKinley Square. Among the 1,000 business men who have subscribed \$1,000 each toward the fund are: Charles Eckstein of the Eckstein Seed Company; George Grammer and Nesbit Grammer of the Eastern Grain, Mill & Elevator Corporation, owners

of the Concrete-Central Elevator; E. M. Husted of the Husted Milling Company; J. J. Rammacher of the Eastern Grain, Mill & Elevator Corporation; George Urban and George Urban, Jr., of the Urban Milling Company and others.

Executive offices of the American Grain & Feed Corporation in the Chamber of Commerce have been enlarged to handle the company's rapidly growing business. Berend J. Burns, president of the corporation, says plans are progressing rapidly for the construction on the Buffalo River of a big grain elevator and feed mill to cost upwards of \$1,000,000.

LOUISVILLE

A. W. WILLIAMS - CORRESPONDENT

BUSINESS with the Louisville hay, grain and feed trade has been none too good the past month, but is promising improvement as a result of pests having about ruined pastures, which will mean larger consumption of hay, grain and feed. At present prices of stock feedingstuffs the stock raisers are able to operate to some advantage, and poultry raising has been active. Feeds have done fairly well, but the country is full of cheap grain, and movements as a whole have been light.

It is claimed by some of the local grain men that prices are too low, and that the farmer is badly discouraged. One grain man in commenting on the market said: "No. 2 White, Yellow and Mixed corn are fairly well bunched at around 51 cents. The Illinois grower planning to sell on such a market has to take about 33 cents for his corn, and out of that he pays his planting and harvesting costs, which leaves him practically no profit, after figuring investment, taxes, interest, etc. It will cost him at least 7 cents a bushel freight to Louisville, 2 cents for hauling, 2 cents for the country elevator, if not 3 cents; 5 cents for shucking, and 2 cents for shelling, making a total of 18 cents to be deducted from 51 cents. This means that the farmer is getting hardly anything for his corn."

The elevator operators claim that while they are holding some grain on long time storage, there isn't enough movement of grain through the elevators to show any real profit, and that business as a whole is not very satisfactory. There is no buying demand with markets weak, and options lower than cash grain. With No. 3 White oats at 37 cents and December option at 33 to 34 cents, no one is buying and holding much grain as an investment. Freight rates are eating up profits, and preventing movement to storage.

The Kentucky Public Elevator Company, according to F. C. Dickson, has found business slower the past 30 days than it was a little earlier. The company has about 400,000 bushels of grain on long storage, there being about 250,000 bushels of wheat, 100,000 of oats, and the balance in corn and rye. However, daily handlings through the plant have been a disappointment.

Feed demand is largely in mill feed, manufactured feeds being high and moving slowly as a whole. Cottonseed feeds are too high for free movement. Hay prices are low enough, but demand as a whole has been poor, due to there being plenty of hay in the country, and comparatively small consumption in the cities.

The cash hay market at Louisville is quoted selling No. 1 Timothy, haled, carlots, at \$20; No. 2, \$18.50; No. 1 Clover, \$19; No. 2, \$16; Mixed No. 1 hay, \$17; No. 2, \$14 to \$15; wheat and oat straw, \$10; rye straw, \$14.

O. W. Edinger, of Edinger & Co., local grain and feed dealers, reports rather quiet business. Mr. Edinger recently returned from a trip out in the state, and reported that business was generally slow. Country dealers, dairymen and large consumers are asking for 60 and 90 days' credit in many instances.

Fire on October 4, at Shelbyville, caused damage of about \$3,000 to \$4,000 in the plant of the Shelby County Feed & Grain Company, operated by Edinger & Co., Louisville, the stock loss being about \$2,000 to \$3,000, and machinery damage about \$1,000.

The latest crop reports for Kentucky indicate a corn crop this year of 91,991,000 bushels, as against 100,650,000 bushels in 1920. Oats are estimated at 6,782,000 bushels as compared with 8,225,000 bushels last year. Barley, 108,000 bushels as against 112,000 last year.

Martin P. Corcoran has been named receiver for the Louisville Cottonseed Products Company, on application of the National Bank of Kentucky, Louisville, with claim of \$103,000; and of the American National Bank, Nashville, \$68,000. Other creditors' claims bring liabilities up to around \$417,000. The

plant is valued at \$380,275. The company joined in the petition for a receiver, claiming that to close down at this time would result in a heavy loss, as it is the beginning of the season, and that the plant can be operated profitably. The concern is controlled by the Lake County Manufacturing Company, of Dyersburg, Tenn., which is in bankruptcy. The local company lost heavily in a series of fires about two years ago at the local plant.

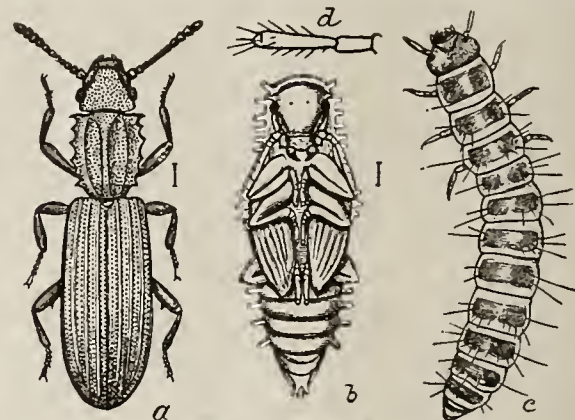
There has been a good demand this fall for seed wheat and rye, the seed wheat moving at around \$1.85 a bushel. Due to the poor quality of the 1920 crop, farmers have bought fresh seed stock, and have not taken chances with poor grain. The county agents and country newspapers along with the State Department of Agriculture conducted a campaign for late wheat planting, holding that wheat planted after October 5, was not nearly so likely to be damaged next spring by Hessian fly. This campaign bore results, and planting has been late, carrying grass seeds and everything else with it.

MINNEAPOLIS

H. A. PAUL CORRESPONDENT

A S A voluntary action the traders on the Minneapolis Chamber of Commerce trading floor agreed to eliminate trading in "puts" and "calls" on and after October 1. The decree went into effect as it did in Chicago and Duluth. The smoking room now appears deserted after the pit closes, in marked contrast to the doings in olden days. The ban on "puts" and "calls" has been reflected to some extent in pit activities and especially reflected in the trading rooms of numerous brokers. At that no one has expressed himself as particularly sorry since the ban was put on.

Millions of bushels of grain in local elevators were threatened for a time by the "bran bug." Discovery of this pest was announced October 3, when



Silvanus surinamensis. a, Beetle; b, pupa; c, larva, 16 times natural size. [After Chittenden.]

THIS IS THE BUG THAT MAKES THE TROUBLE

The Saw Toothed Grain Beetle is the "Bran Bug" which is infesting grain at Minneapolis and Duluth elevators, according to Prof. Chapman of the University Staff. It is a slender, dark brown beetle about one-tenth of an inch long.

three grain elevators reported the presence of insects in their stocks. Steps were immediately taken by the grain inspection department of the Railroad and Warehouse Commission to check the spread of the pest. Fumigation with carbon tetra-chloride was resorted to following advices from Prof. R. N. Chapman of the entomology department of the University of Minnesota. The Burdick Grain Sampling Company, which takes samples for about 60 per cent of the elevator firms of the city, is fumigating all cars before taking samples. From late reports the sampling company has the situation well in hand and does not expect any serious outbreak.

The "B" mill of the Washburn-Crosby Company was damaged by fire which broke out on the fourth floor of the structure Sunday night, October 2. For a time the blaze threatened the entire milling district and a special 111 alarm was sounded which drew practically all the Minneapolis fire equipment to the fire. Spontaneous combustion is believed responsible for the fire. The damage was placed at \$10,000. Work on repairing the damage was begun immediately after the flames had been extinguished. Officials of the milling company declared that the mill would be out of commission for some time because of this.

Minnesota farmers will donate 147,000 bushels of grain to fight famine in southern Russia and Armenia, following an appeal for aid from the governor of the state. Virtually every country elevator in Minnesota has agreed to receive, store and load the gift grain free of charge. J. M. Davies, state director of the Near East Relief declared. Railroads are considering hauling the grain without cost and mills have agreed to manufacture it into foodstuffs at less

Francesco Quattrone, agent of the Italian Government Commission. Applications for membership in the Produce Exchange have been received from: Watson W. Moore of the W. S. Moore Grain Company of Duluth; Albert J. Gardner, New York agent of the Kansas Flour Mills Company of Kansas City, Mo.; Albert R. Taylor, Taylor & Bournique Company, grain merchants, Milwaukee; George Dudman, Dudman & Co., flour and cereals; Frank Wallace, of Wilfred Wallace & Co., flour.

Seaford was extended on behalf of the Commercial Club to work in cooperation with the local Committee, composed of farmers. The last legislature appropriated \$400 to the Association, which has been supplemented by \$100 through the interest of the State Board of Agriculture in the annual corn show.

F. L. Conner is succeeding the D. Miller Estate, having bought the grain elevator and coal yards.

For the first time in five weeks rain fell in the vicinity of Laurel, Del., increasing the yield of late crops. Nearly all the farmers who have been unable to plow for the sowing of wheat and clover, now are busily engaged in planting. One of the largest crops of corn ever harvested in lower Delaware is being saved now. The farmers are only being offered 40 cents per bushel, which they are flatly refusing.

John A. Tait manager of the Furness, Withy Company, Ltd., steamship agents, was elected a director of the Maritime Exchange last week. Mr. Tait will occupy the vacancy left by a former director, H. B. Holmes, who has moved to New York. The term of office expires in April, 1924.

Pennsylvania farmers are losing vast sums of money in not taking proper precautions against the angoumois grain moth before disposing of their wheat, according to Fred Rasmussen, State Secretary of Agriculture. Out of 35 carloads of wheat received recently on an average day in the Philadelphia market, declares the secretary, all but seven carloads were classed as "sample grade." An inexpensive treatment of carbon disulphide the secretary points out, would have yielded a much greater return to the wheat growers.

J. W. Eshelman & Sons, York, Pa., have complained to the Interstate Commerce Commission that rates on cottonseed meal from the Southeast to York and the rates on feed prepared therefrom and from York to New England points were unreasonable because they exceeded the through rates on cottonseed meal. The Commission ordered the establishment of a just through rate.

Farmers in the vicinity of Reading, Pa., report wells and streams as well as creeks, on their farms, which had failed or almost stopped flowing recently, as having been replenished, and late crops which needed rain have been very much benefitted.

Members of the Commercial Exchange met recently to hear an interesting talk by J. B. Maling, of Indiana, representing the Grain Dealers National Association, who explained the workings of the United States Grain Growers, Inc., which organization is undertaking to market the products of the farms upon a cooperative basis and to supply farmers with agriculture implements. As long as the Grain Growers' activities are conducted along business lines, the grain dealers will take their chance of competition, but Mr. Maling warned his audience that the Grain Growers would seek to obtain legislation at Washington which might discriminate unfairly against grain dealers and the investors who have built large grain elevators in various parts of the country for the handling of crops.

The Transportation Committee of the Commercial Exchange met recently to consider the serious situation arising out of diversion of the grain traffic from Atlantic ports of the United States, and after a careful review of the extent of the diversion of the grain traffic to New Orleans and to Montreal at the expense of the ports similar to Philadelphia, due very largely to the unjust discrimination in the matter of grain rates the Committee authorized its traffic manager to prepare a complaint for presentation to the Interstate Commerce Commission.

Philadelphia was represented at a meeting held in New York recently by J. B. Matthaei, Traffic Manager, Commercial Exchange, David H. White of Hancock Grain Company, Geo. M. Warner and Wm. M. Richardson, to protest against carriers in their effort to eliminate at-and-cast rates. If these rates are eliminated it will mean that the railroads will assume no responsibility in export shipments of grain so far as seeing to it that the grain meets the steamer on time for which it is booked; in other words, the grain exporter will have to make his own arrangements with the railroad as well as the elevator company in order that the steamer will be loaded on time, which will work an unnecessary hardship on the exporter.

Hubert J. Horan, chairman of the Flour Committee of the Commercial Exchange, has called attention of receivers of flour on the Exchange to the notation on the first page of the uniform bill of lading with reference to inspection of property covered by the bill of lading, having been advised that several claims have been filed against the carriers on account of violation of the provision above referred to. Chairman Horan has therefore requested the receivers to instruct their shippers of flour to indorse upon their bills of lading the following notation: "Allow inspection and exami-

nation by () and/or by the Flour Inspector of the Commercial Exchange of Philadelphia" and unless this request is complied with a drastic order will be issued by the railroad companies.

A reduction in grain rail rates was ordered by the Interstate Commerce Commission and amounts to 12½ per cent, effective about October 10, throughout Eastern Trunk Line and New England territory. The decrease will amount to between 2 and 4 cents per 100 pounds, in Pennsylvania.

Philadelphia's right to a differential over other eastern cities was recognized last week by the shippers of Boston, New York and Baltimore and by the three railroads entering this city, at a meeting held in Washington. This action was taken before a Commissioner of the Interstate Commerce Commission following two days of meeting in New York City, which bore no direct fruit. The stipulation also was made that the matter will come up within the next few weeks for final settlement and the differential that Philadelphia will enjoy will be set at that time.

The number of cars unloaded at the Girard Point Elevator during the month of September was: 901 wheat, 21 corn and 12 rye; at Port Richmond Elevator, 1,207 wheat, 85 corn, 12 rye and 11 barley; at Twentieth Street Elevator, 15 corn, 43 oats, 1 barley and 1 Kaffir corn.

KANSAS CITY

B. S. BROWN - - CORRESPONDENT

KANSAS CITY receipts of wheat in September were 8,882 cars, the largest in September since 1914, and 3,506 less than in August. Compared with the 10-year September average there was an increase of 3,635 cars. Receipts of corn and oats were both below the average.

Frank Bruce of the Bruce Brothers Grain Company, said recently on his return from an extensive trip by motor car through Kansas: "Kansas grain men as a rule have confidence in higher wheat prices, due to the fact that a large part of the 1921 crop has been marketed. From 50 to 80 per cent of the crop has been marketed in most sections. Prospects are for a moderate reduction in acreage, due apparently to the unsatisfactory returns this season."

The case of 16 Kansas City grain firms against the Santa Fe and other roads, regarding switching charges on export grain at Galveston, has been argued before the Interstate Commerce Commission, and a decision is expected in the near future. Total switching charges are \$4.50, of which \$1.50 is paid by the shipper. W. R. Scott, Board of Trade Transportation Commissioner, who argued the case, asked that the freight rate include delivery into elevators and also asked deperation on shipments since March 1, 1917.

The quantity of wheat purchased upon certain definite specifications at Kansas City has shown a big increase this season and some buyers, chiefly millers, think it will not be many seasons until nearly all buying is on this basis. The commonest test is protein and gluten content. Sellers have been quick to see the advantage of such tests and in the case of good milling wheat have made a practice of supplementing the regular Government inspection with various laboratory data. Most commercial chemists charge \$1.50 to \$2 for the protein and gluten tests. The processes are not long and ordinarily do not delay a sale. The tests have resulted in differences in price ranging from 3 to 15 cents a bushel.

By a vote of 82 to 3 the Kansas City Board of Trade recently amended its rules to prohibit trading in indemnities. The rule was made effective at once. There has not been much trade of this nature at Kansas City for a good many years. There is no indication at present that there will be any demand from this section for facilities to trade in this manner in the Winnipeg market, the only one where such trading is now permitted.

Low grade wheat has been a drug on the Kansas City carlot market for many weeks. Mills have been steady buyers of the better class of offerings and have maintained firm premiums for these grades, but inquiry for the smutty and other undesirable samples which have made up the big bulk of the arrivals for more than a month has been dull. The range of prices consequently has widened considerably. The most important effect of the large arrivals of poor grain has been the burden imposed on elevators in keeping the grain in condition and in storing it. All the local concerns are burdened with poor wheat and have been having difficulty in handling the current receipts. Congestion, which has

PHILADELPHIA

T. A. SIEBER - - CORRESPONDENT

ACCORDING to the monthly report of the statistician of the Commercial Exchange, the stock of grain in public warehouses in Philadelphia October 1 was 2,219,059 bushels wheat, 413,183 bushels corn and 224,712 bushels oats compared with 993,966 bushels wheat, 583,210 bushels corn and 242,160 bushels oats on September 1 and 1,681,311 bushels wheat, 62,490 bushels corn and 291,486 bushels oats on October 1, 1920. Receipts of grain at Philadelphia during the month of September were: 3,509,665 bushels wheat, 295,105 bushels corn, 251,044 bushels oats, 59,238 bushels rye and 18,323 bushels barley. Exports from this port during the month of September were: 1,636,520 bushels wheat, 318,025 bushels corn and 18,516 bushels rye.

New memberships in the Commercial Exchange have been petitioned for during the past month by Moore & McCormack Company Inc., and W. A. Lansker.

Lorenzo J. Riley, assistant secretary of the Commercial Exchange, has returned to his office after being confined to his home with the grippe.

Caj Hartell of Paul Hartell, Ltd., flour importers, Abo, Finland, is spending some time visiting connections in this market.

W. McDonald, representing McKinnon & McDonald, flour importers, Glasgow, Scotland, will spend some time visiting connections in the Philadelphia market.

According to the Bureau of Crop Estimates of the Department of Agriculture the condition of corn in Pennsylvania on October 1 was 94 per cent of normal compared with a 10-year average of 86 per cent, forecasting a yield of 69,011,000 bushels. Oats is 81 per cent of normal compared with a 10-year average of 90 per cent, forecasting a yield of 33,544,000 bushels.

J. Aldus Herr, 62 years old, president of the Lancaster County Fair and prominently identified with the Lancaster Farm Bureau, died September 24 at Lancaster, Pa. He was a speaker at State Farmers' Institute.

Raymond A. Walton, formerly of New York City, has been appointed Philadelphia General Agent of the Wabash Railroad Company, succeeding G. G. Early, who has been promoted to General Freight Agent of the Wabash at St. Louis.

John E. Poore, secretary for 35 years of the Grocers & Importers Exchange in the Bourse, is lying in the Lankana Hospital suffering with a punctured prostate gland. He is 72 years old and was born in Lowell, Mass.

Wills & Watson have recently organized at Ursina, Pa., to deal in grain, hay and produce.

Joseph E. Haasz, veteran gate keeper on the Commercial Exchange, celebrated his eighty-second birthday on September 27.

J. B. Pultz, Wm. B. Stites, Robert Morris and F. M. Rosekrans have returned from the twenty-fifth annual convention of the Grain Dealers National Association, held at Chicago, Ill., October 3, 4 and 5, having been appointed to represent the Commercial Exchange.

Anderson Bros., Inc., have sold their elevator at York, Pa. to John W. Eshelman & Sons, of Lancaster.

Indication that many people have left the cities and small towns of eastern Pennsylvania and returned to the farms, is seen in the few agricultural properties offered for sale this fall. In past years September has opened with many farms throughout this part of the country advertised for sale, but the number this year is small.

The fifteenth annual corn show of Delaware will be held at Seaford on January 3 to 5, under the auspices of the Delaware Corn Growers' Association, as a result of the annual meeting of the Executive Committee. Through the Sussex County members of the Committee, an invitation to hold the show at

been serious at times, has existed here for several weeks. Elevator stocks, around 10,000,000 bushels, have been exceeded several times before, but there has never been so much wheat that required constant attention. About the same situation prevails at Galveston, which is a handicap on Kansas City elevators as the congestion at the gulf port prevents shipments from this market and causes some grain that ordinarily would go to Galveston to come here. Frequently there has been talk of an embargo here, but each time partial relief was secured and no restrictions against further arrivals were imposed.

The course of the market at Kansas City the past month has not been a very accurate reflection of general sentiment. Four or five weeks ago when prices were on the upgrade as a result of the large export clearances and the heavy domestic absorption, a strong bullish sentiment developed as a result of the unusual statistical situation. The advance in prices proved to be short lived and in a week or so the market was declining again, this time reaching new low levels for the season for most future deliveries and ordinary grades of hard wheat. Market opinions in this time, however, continued bullish, most grain men expressing the opinion that ultimately there would be a shortage of supplies and higher prices. There is still a good deal of confidence in higher values, but little or no speculative buying, as the statistical situation has been completely overshadowed by the enormous supplies of wheat available for immediate use.

Operation of the new Missouri markets law which in various ways seeks to regulate grain exchanges, has been suspended temporarily by a restraining order signed three weeks ago by three United States judges. The order was read by Judge Kimbrough Stone of the U. S. Circuit Court, who will fix a date later for hearing on the order's permanency. The law was enacted by the last state legislature and became effective June 19. The other signers were Judges John C. Pollack and Thomas C. Munger of Nebraska. Application for the order was made by three members of the Kansas City Board of Trade—Guy Moore, H. J. Dittenbaugh and W. H. Marshall—who contended the state, as provided in the law, had no right to compel boards of trade to accept farmers' organizations as members and permit them to rebate or divide commissions with their members. J. Henry Carruthers, Assistant Attorney General, represented the state. Board of trade men contended that such a law is discriminatory in that it makes a special exception of co-operative or other farmers' organizations in the enforcement of board of trade rules and that it is subversive to good commercial practice and opens the way for dishonest or corrupt practices to permit a division of commissions.

Thomas R. Smith, former second vice-president and sales manager of the Equity Union Grain Company, was expelled recently from membership in the Kansas City Board of Trade. Action was taken at a meeting of the officers and directors of the exchange on the general charge of "uncommercial conduct."

Total deliveries on September contracts in Kansas City were 1,471,000 bushels of wheat, 440,000 bushels of corn and 100,000 bushels of oats. Most of the wheat was delivered early in the month by a large elevator concern. There was no sign of congestion the last few days of the month.

The Barnes-Piazza Company has taken over the management of the Wabash Elevator, formerly operated as a public house by the Wabash Railroad and used by half a dozen Kansas City concerns. It has a capacity of 500,000 bushels. Possession will be taken about the middle of the month as soon as the work of weighing grain now in store is completed.

A farmer near Plainville, Kan., T. J. O'Brien, has brought suit against the Union Pacific Railroad for \$7,260 damages, which amount, he says, he lost on his wheat crop when the railroad failed to supply him with four grain cars. In the petition he charges that he ordered the cars for July 31, 1920, at which time wheat was selling at \$2.46. The cars did not arrive, and when he was able to market the grain later it brought only \$1.25 a bushel.

Directors of the Kansas City Board of Trade recently adopted resolutions warning members against the dissemination of any crop or market reports obviously designed to influence the course of prices. Reports regarding the holdings or open trades of any member or firm are also to be prohibited.

Export trade in wheat in the Southwest has been dull for more than a month and premiums for all positions at Galveston and New Orleans have declined 5 to 7 cents in that time. Local firms have done little or no new business since the latter part of August. There has been a good deal of congestion at Galveston and occasional talk of "distressed" wheat, which has been a big factor in the declining wheat market. Export firms and numerous smaller Southwestern shippers sent liberal quantities of wheat to the Gulf earlier in the season, in expectation of a sustained foreign demand. This demand has not materialized and as

a result there has been continued pressure to sell wheat for several weeks. Several local firms have sustained moderate losses as a result of wheat losing condition where it was held on track a long time.

MILWAUKEE

C. O. SKINROOD - CORRESPONDENT

MILWAUKEE has ranked high in getting its share of the great flood of grain which has been coming to the primary markets of the country. Even in wheat, which has not been one of the leading commodities handled at the Milwaukee market, a good record has been made. Since July 1 the wheat receipts of the season have been over 5,000,000 bushels, as compared with a little more than 1,000,000 bushels for the corresponding time a year ago.

Corn has always been one of the leading grains handled at Milwaukee and here the city ranks well. Receipts for the crop year have been a little more than 23,000,000 bushels and Milwaukee ranks third from the top in receipts, being nosed out of second place by St. Louis by the narrow margin of about 200,000 bushels.

The gain in corn marketing has been striking, as shown by the receipts of 13,000,000 bushels, approximately, for the same period last year as compared with 23,000,000 bushels for the crop season of 1921. Receipts have been almost doubled since July 1.

In oats Milwaukee ranks third among the primary markets, with receipts of more than 5,000,000 bushels. It is exceeded by Chicago and Minneapolis. Receipts of oats are, in fact, a little less than last year, with 6,800,000 bushels last year and 5,400,000 this year, a loss of a little more than 1,000,000 bushels.

The tremendous export movement of grain from Milwaukee is exceeding all records, with 116 cargoes at the last compilation and the total shipments being a little more than 25,000,000 bushels.

Out of these 116 cargoes, no less than two-thirds of them have gone to various ports in Ontario for trans-shipments through Canada abroad, while only 37 cargoes have gone via the American route through Buffalo and Cleveland.

The reason for the great shift in grain shipments to the Canadian routes is preferential rates, according to J. L. Bowlus, manager of the transportation department of the Chamber of Commerce. It is pointed out that the rate to Montreal is 9 to 10 cents a bushel as compared with about 13 cents to New York, a net saving of about 3 cents a bushel. Since the Montreal rate to Europe is just the same as the New York rate, most of the grain has sought the Canadian way.

As a rule, nearly all the grain has previously gone through Buffalo to New York, declared Secretary Harry A. Plumb. Now about 75 per cent of it is going the Canadian way because of the advantage in lower rates, Mr. Plumb adds.

Milwaukee's shipments by lake have been making some high figures. The total shipments have now passed the 25,000,000 bushel mark and estimates are that at least 35,000,000 bushels will go out by lake this season before the period of navigation closes. The movement seems to grow stronger each week and the total figure is being steadily raised to where the 35,000,000 bushel aggregate should easily be attained.

Last year, shipments from Milwaukee by lake were only about 3,000,000 bushels. Over a series of years the total shipments by lake are probably from 4,000,000 to 5,000,000 bushels, the year 1918 being the only exception, when 18,000,000 bushels of grain was shipped from Milwaukee by lake. Total shipments of 1921 will therefore be 10 to 12 times as large as they were for 1920 and about five to seven times as large as the usual average shipments over a series of years.

About 50 per cent of all the lake shipments of grain from the city are corn, with a present total of about 12,000,000 bushels. The wheat shipments are about 25 per cent of the total, or more than 6,000,000 bushels. Oats is about one-seventh of the total, or between 3,000,000 and 4,000,000 bushels. Rye and barley make up the smaller fraction or remainder.

W. C. Mitchell, grain merchants with offices in the Twin Cities and elsewhere, have closed their office in Milwaukee.

Some of the Milwaukee elevators have been operating their loading spouts night and day because of the heavy flow of grain and the big tide of exports.

The Froedtert Malting Company has bought the Milwaukee plant of the Interstate Malt Company, with an annual capacity of 3,000,000 bushels, giving the company by far the largest malting capacity in the world, according to Kurtis Froedtert, head of the company. The concern will have two plants at Milwaukee, besides its plants at Winona, Minn., and Red Wing, Minn. Mr. Froedtert asserts that his capacity with the four plants he now owns is between 8,000,000

and 9,000,000 bushels. The plants of the Interstate Malt Company could not be reproduced today for more than \$1,000,000, according to Mr. Froedtert.

The demand for malt and the outlook for good business in the future is so bright that the company feels warranted in expanding its capacity in this decisive way, declares Mr. Froedtert. He says that the malt demand for export is not now at the maximum, but export trade is good.

Total receipts of grain at Milwaukee for the year 1921 will be high, with an aggregate now in excess of 50,000,000 bushels. The highest record ever attained here for a year is 86,000,000 bushels, and this total is not expected this year because of the very light grain arrivals for the first five or six months of the year.

The latest compilation of grain receipts indicates that arrivals in 1921 at Milwaukee have been a little more than 7,000,000 bushels of wheat, nearly 20,000,000 bushels of corn, 13,000,000 bushels of oats, 7,000,000 bushels of barley and over 2,000,000 bushels of rye.

The huge grain shipments from Milwaukee by lake call attention to the urgent need of the St. Lawrence deep waterway, according to Milwaukee grain men. These shipments, it is believed, will give an impetus to the project which it has not had before.

In connection with the big grain shipments by lake, two vessel records have been broken during the season.

The steamer *Harvester* left Milwaukee with more than 432,000 bushels of corn for Tiffin, Ont., while the steamer *John Sherwin* took out 459,000 bushels of wheat, corn and oats for Buffalo, loading at Chicago, Milwaukee & St. Paul Elevator "E." The *Harvester* made a high weight record for a single vessel and the *John Sherwin* had a lighter cargo but carried the largest number of bushels ever hauled by any ship leaving any of the Great Lakes ports.

The October rate of interest has been fixed by the Finance Committee of the Chamber of Commerce at 7½ per cent, which is the same rate as has prevailed for several recent months.

The latest price comparisons for grain at Milwaukee indicate the drastic slump in market values. As compared with last year, barley is about one-third cheaper, the price now being 65 to 69 cents a bushel for No. 3 and \$1.06 to \$1.07 a year ago. No. 3 oats is also about one-third cheaper, the price now being 32 to 35 cents as compared with about 53 cents a year ago. Rye is down between 40 and 50 per cent since last year, the price a year ago being \$1.69 per bushel for No. 2 and 94 cents this year. Rye is now declining almost as other grains, while a year ago it was about the only grain whose price was well maintained. No. 2 Yellow corn is now selling at 47 to 48 cents as compared with 95 to 96 cents a year ago. The price has been cut in half, exactly. The price of wheat is cut about one-third, the price a year ago being \$2.25 to \$2.35 for the No. 1 Northern and \$1.47 to \$1.51 at the present time. In general, grain prices are one-third to one-half lower than prevailing prices a year ago.

Grain stocks in Milwaukee at the first of the month were 323,000 bushels of wheat in round numbers, 204,000 bushels of corn, 1,093,000 bushels of oats, 146,000 bushels of barley and about 3,000 bushels of rye. The stocks of oats are fairly large, while the supplies of corn and wheat and barley are relatively small, despite the big receipts. This suggests the rapid shipments from the city almost as fast as the grain arrives.

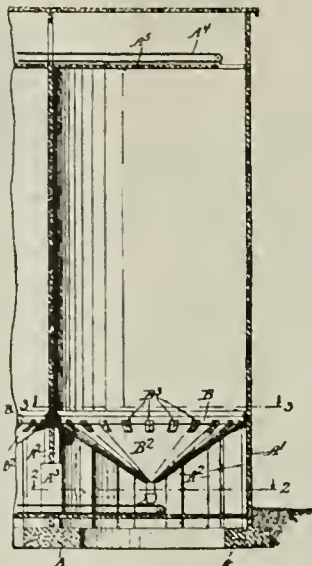
A petition has been sent by members of the Milwaukee Chamber of Commerce to Senator Irvine Lenroot at Washington requesting as a body of voters that the Government return light wines and beer. This petition was sent informally by members of the Chamber of Commerce and did not emanate officially from the officers of the Chamber, according to Secretary Plumb. Charles R. Lull made the petition public, which asked that Mr. Lenroot give his support to any bill in Congress which would tend to legalize the sale and manufacture of 2.75 per cent beer and light wines.

A committee of the Chamber of Commerce has been named to formulate all the necessary rules and regulations which will be required to conform to the Capper-Tincher Law. In order to continue trading in grain for future delivery, certain restrictions relating to contract markets must be enforced. The committee in charge of making the changes in rules is composed of L. L. Runkel, A. R. Taylor, A. R. Templeton, D. G. Owen and L. R. Fyfe.

September was a big month in the grain trade in Milwaukee, receipts setting a high record. Total receipts were no less than 5,772 cars, or an average of more than 200 cars for every day in the month. The receipts were made up of 873 cars of wheat, 3,250 cars of corn, 877 cars of oats, 649 cars of barley, 132 carloads of rye and 21 cars of flax seed. Much more than half of the grain received for the month consisted of corn.

Trade in grain has been holding up well, although

neled hopper bottom, foundations adapted to support said wall and bottom, and means associated with said bottom adapted to direct the weight supported by



said bottom directly downwardly upon and foundations.

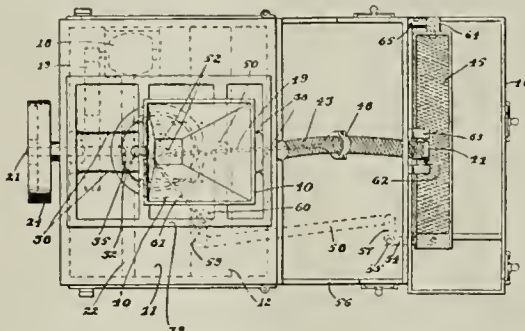
Bearing Date of September 27, 1921

Bolt for loaded grain cars.—Charlie R. Armstrong, Hawarden, Iowa. Filed July 27, 1920. No. 1,391,661.

Attachment for grain separators.—William E. Toler, Pawnee, Okla. Filed February 10, 1920. No. 1,392,094.

Mill for grinding grain.—Thomas Prokopowicz, St. Louis, Mo. Filed June 20, 1919. No. 1,392,219. See cut.

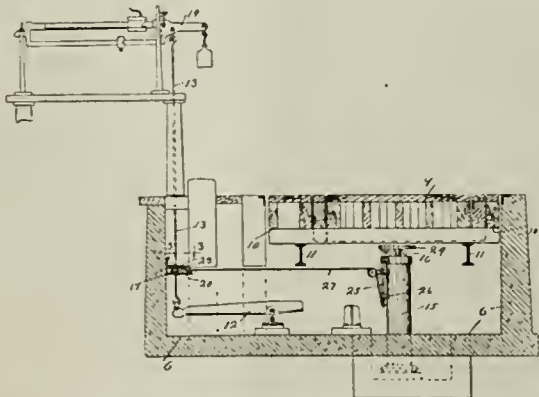
Claim: In a mill for grinding grain of the character described, the combination of a movable hopper having a downwardly extending projection with a rigid casing, a grinding wheel in said casing having



a plurality of conical openings in its bottom element, a rim forming an annular space in said wheel upon said openings and a plurality of inwardly extending vertical lugs adapted to make contact with said projection during the rotation of said wheel, substantially as described and for the purpose set forth.

Automatic lock mechanism for dumping scales.—Charles C. Neale, Minneapolis, Minn., assignor to Globe Machinery & Supply Company, Des Moines, Iowa, a corporation of Iowa. Filed November 18, 1920. No. 1,392,075. See cut.

Claim: The combination with a scale platform having a movable section and a power device normally out of action for moving said section, of a lock opera-



tive to lock the scale mechanism and means whereby said lock is automatically brought into action at all times when said power device is caused to act on said movable platform section.

RECEIPTS AND SHIPMENTS

Following are the receipts and shipments of grain, etc., at the leading terminal markets in the United States for September:

CHICAGO—Reported by John R. Mauff, secretary of the Board of Trade:

| | 1921 | 1920 | 1921 | 1920 |
|-------------------------|------------|------------|------------|-----------|
| Wheat, bus.. | 4,050,000 | 3,920,000 | 4,436,000 | 5,249,000 |
| Corn, bus.... | 23,406,000 | 12,061,000 | 17,238,000 | 2,683,000 |
| Oats, bus.... | 6,306,000 | 9,697,000 | 5,607,000 | 3,886,000 |
| Barley, bus.. | 694,000 | 1,076,000 | 304,000 | 332,000 |
| Rye, bus.... | 207,000 | 554,000 | 298,000 | 402,000 |
| Timothy Seed, lbs. | 6,239,000 | 8,075,000 | 8,567,000 | 3,075,000 |
| Clover Seed, lbs. | 733,000 | 1,207,000 | 371,000 | 71,000 |
| Other Grass Seed, lbs.. | 2,675,000 | 5,871,000 | 1,128,000 | 588,000 |
| Flax Seed, bus. | 169,000 | 68,000 | ..... | 1,000 |
| Hay, tons.... | 8,971 | 9,872 | 731 | 2,237 |
| Flour, bbls.. | 1,089,000 | 613,000 | 940,000 | 484,000 |

BALTIMORE—Reported by Jas. B. Hessong, secretary of the Chamber of Commerce:

| | 1921 | 1920 | 1921 | 1920 |
|---------------|-----------|-----------|-----------|-----------|
| Wheat, bus.. | 1,870,879 | 1,787,413 | 1,827,825 | 4,757,056 |
| Corn, bus.... | 950,015 | 1,955,492 | 738,076 | 57,433 |
| Oats, bus.... | 92,271 | 300,188 | 20 | 57,758 |
| Barley, bus.. | 472,369 | 1,380 | 272,224 | 19,873 |
| Rye, bus.... | 791,189 | 713,411 | 824,121 | 373,571 |
| Hay, tons.... | 949 | 1,532 | ..... | ..... |
| Flour, bbls.. | 214,623 | 129,505 | 67,850 | 35,598 |

CINCINNATI—Reported by B. J. Drummond, executive secretary of the Cincinnati Grain & Hay Exchange:

| | 1921 | 1920 | 1921 | 1920 |
|-------------------------|---------|---------|---------|---------|
| Wheat, bus.. | 264,000 | 434,000 | 271,200 | 264,000 |
| Shelled Corn, bus. | 330,000 | 350,400 | 130,800 | 156,000 |
| Oats, bus.... | 310,000 | 690,000 | 380,000 | 344,000 |
| Barley, bus.. | 2,600 | 24,700 | ..... | ..... |
| Rye, bus.... | 16,800 | 48,000 | 16,800 | 27,600 |
| Feed, tons.. | 1,050 | 1,830 | ..... | ..... |
| Hay, tons.... | 4,378 | 9,801 | ..... | ..... |
| Ear Corn, bus. | 12,600 | 17,600 | ..... | ..... |

DULUTH—Reported by Chas. F. MacDonald, secretary of the Board of Trade:

| | 1921 | 1920 | 1921 | 1920 |
|--------------------------|------------|-----------|------------|-----------|
| Wheat, bus.. | 14,944,851 | 8,629,831 | 13,211,852 | 5,624,807 |
| Bonded Wheat, bus. | 388,615 | 2,831 | 418,424 | 2,868 |
| Corn, bus.... | 1,118,910 | 3,148 | 802,073 | ..... |
| Oats, bus.... | 864,816 | 1,356,382 | 1,338,432 | 11,284 |
| Barley, bus.. | 1,539,566 | 636,899 | 1,585,175 | 299,519 |
| Bonded Barley, bus. | 32,873 | ..... | 1,644 | ..... |
| Rye, bus.... | 3,894,255 | 3,038,541 | 4,417,119 | 2,459,372 |
| Flax Seed, bus. | 409,293 | 523,602 | 314,078 | 198,535 |
| Flour, bbls.. | 987,340 | 546,015 | 950,855 | 469,420 |

FORT WILLIAM, ONT.—Reported by E. A. Ursell, statistician of the Board of Grain Commissioners:

| | 1921 | 1920 | 1921 | 1920 |
|------------------------|------------|------------|------------|-----------|
| Wheat, bus.. | 27,490,891 | 12,642,327 | 17,151,550 | 7,934,775 |
| Corn, bus.... | 108,440 | 99,914 | 120,612 | 37,553 |
| Oats, bus.... | 1,972,372 | 816,336 | 3,671,637 | 205,063 |
| Barley, bus.. | 2,129,860 | 1,041,570 | 1,820,548 | 516,150 |
| Rye, bus.... | 631,709 | 315,071 | 498,818 | 117,526 |
| Flax Seed, bus. | 58,861 | 111,147 | 429,026 | 174,232 |
| Mixed Grain, lbs. | 3,012,515 | 1,721,828 | 1,653,162 | 509,490 |

INDIANAPOLIS—Reported by Wm. H. Howard, secretary of the Board of Trade:

| | 1921 | 1920 | 1921 | 1920 |
|---------------|-----------|-----------|-----------|-----------|
| Wheat, bus.. | 243,100 | 517,400 | 161,200 | 322,400 |
| Corn, bus.... | 1,258,600 | 1,269,800 | 765,800 | 1,051,000 |
| Oats, bus.... | 1,128,000 | 1,650,000 | 1,250,000 | 1,748,000 |
| Rye, bus.... | 26,600 | 84,000 | 23,800 | 88,200 |

KANSAS CITY—Reported by E. D. Bigelow, secretary of the Board of Trade:

| | 1921 | 1920 | 1921 | 1920 |
|-------------------|------------|-----------|-----------|-----------|
| Wheat, bus.. | 11,990,700 | 7,597,800 | 7,730,100 | 4,730,400 |
| Corn, bus.... | 372,500 | 493,750 | 633,750 | 236,250 |
| Oats, bus.... | 923,100 | 895,900 | 247,500 | 403,500 |
| Barley, bus.. | 223,500 | 144,000 | 102,700 | 76,700 |
| Rye, bus.... | 63,800 | 82,500 | 15,400 | 20,900 |
| Bran, tons.. | 5,440 | 6,140 | 16,720 | 8,100 |
| Kaffir Corn, bus. | 119,800 | 159,500 | 211,000 | 126,000 |
| Hay, tons.... | 12,684 | 47,820 | 1,020 | 16,680 |
| Flour, bbls.. | 126,750 | 61,750 | 531,050 | 227,175 |

LOS ANGELES—Reported by M. D. Thiebaud, secretary of the Los Angeles Grain Exchange:

| | 1921 | 1920 | 1921 | 1920 |
|-----------------------------|------|-------|-------|-------|
| Wheat, carloads. | 277 | 190 | ..... | ..... |
| Corn, carloads.. | 74 | 29 | ..... | ..... |
| Oats, carloads.. | 23 | 11 | ..... | ..... |
| Barley, carloads. | 74 | 78 | ..... | ..... |
| Rye, carloads... | 4 | ..... | ..... | ..... |
| Milo Maize, carloads. | 53 | 83 | ..... | ..... |
| Kaffir Corn, carloads. | 13 | 18 | ..... | ..... |
| Flour, carloads.. | 167 | 59 | ..... | ..... |

MILWAUKEE—Reported by H. A. Plumb, secretary of the Chamber of Commerce:

| | 1921 | 1920 | 1921 | 1920 |
|-------------------------|-----------|-----------|-----------|-----------|
| Wheat, bus.. | 1,042,275 | 357,130 | 1,290,677 | 221,969 |
| Corn, bus.... | 3,937,375 | 1,437,050 | 5,356,775 | 416,850 |
| Oats, bus.... | 1,721,640 | 3,980,910 | 1,997,553 | 1,680,695 |
| Barley, bus.. | 920,760 | 1,175,820 | 403,769 | 212,740 |
| Rye, bus.... | 158,070 | 558,820 | 214,190 | 547,450 |
| Timothy Seed, lbs. | 1,565,532 | 90,000 | 87,603 | 30,000 |
| Clover Seed, lbs. | 215,185 | 53,668 | 1,000,524 | 130,500 |
| Malt, bus.... | 89,300 | 55,100 | 688,098 | 199,718 |
| Flax Seed, bus. | 20,700 | 61,095 | 4,065 | ..... |
| Feed, tons.. | 16,420 | 3,250 | 22,991 | 19,417 |
| Hay, tons.... | 1,608 | 2,096 | 600 | 418 |
| Flour, bbls.. | 194,500 | 72,610 | 116,760 | 82,450 |

MINNEAPOLIS—Reported by G. W. Maschke, statistician of the Chamber of Commerce:

| | 1921 | 1920 | 1921 | 1920 |
|------------------|------------|------------|-----------|-----------|
| Wheat, bus.. | 16,774,960 | 14,066,110 | 5,103,220 | 5,220,780 |
| Corn, bus.... | 861,110 | 473,850 | 428,360 | 255,010 |
| Oats, bus.... | 4,217,340 | 4,563,160 | 1,747,780 | 1,942,410 |
| Barley, bus.. | 1,378,880 | 3,006,870 | 1,066,860 | 2,204,220 |
| Rye, bus.... | 562,880 | 659,600 | 191,150 | 469,190 |
| Flax Seed, bus. | 545,330 | 652,730 | 197,260 | 81,700 |
| Millstuffs, tons | 6,134 | 11,274 | 71,414 | 51,119 |
| Hay, tons.... | 1,575 | 1,357 | 117 | 109 |
| Flour, bbls.. | 116,577 | 44,104 | 1,879,527 | 1,364,769 |

NEW ORLEANS—Reported by G. S. Colby, chief grain inspector and weighmaster of the Board of Trade, Ltd.:

| | 1921 | 1920 | 1921 | 1920 |
|---------------|-------|-------|-----------|------------|
| Wheat, bus.. | | | 3,976,133 | 10,554,861 |
| Corn, bus.... | | | 385,711 | 92,496 |
| Oats, bus.... | | | 27,875 | 70,560 |
| Barley, bus.. | | | 23,333 | 1,039,574 |

NEW YORK CITY—Reported by H. Heinzer, statistician of the Produce Exchange:

| | 1921 | 1920 | 1921 | 1920 |
|--------------------------|-----------|-------|-----------|-------|
| Wheat, bus.. | 6,391,431 | ..... | 3,053,000 | ..... |
| Corn, bus.... | 437,163 | ..... | 331,000 | ..... |
| Oats, bus.... | 941,426 | ..... | 53,000 | ..... |
| Barley, bus.. | 637,691 | ..... | 579,000 | ..... |
| Rye, bus.... | 101,836 | ..... | 201,000 | ..... |
| Clover Seed, lbs. .... | ..... | ..... | 720 | ..... |
| Other Grass Seed, bags.. | 2,810 | ..... | 7,081 | ..... |
| Flax Seed, bus. | 3,200 | ..... | ..... | ..... |
| Hay, tons.... | 10,230 | ..... | ..... | ..... |
| Flour, bbls.. | 1,239,289 | ..... | 546,000 | ..... |

MONTREAL—Reported by George Hadrill, secretary of the Board of Trade:

| | 1921 | 1920 | 1921 | 1920 |
|-----------------|------------|-----------|------------|-----------|
| Wheat, bus.. | 11,460,653 | 8,072,862 | 12,379,355 | 7,968,263 |
| Corn, bus.... | 10,026,613 | 49,005 | 10,385,722 | 63,176 |
| Oats, bus.... | 1,045,145 | 622,423 | 1,089,274 | 204,703 |
| Barley, bus.. | 800,467 | 389,116 | 867,213 | 725,059 |
| Rye, bus.... | 1,634,554 | 46,105 | 1,904,802 | 754,776 |
| Flax Seed, bus. | 28,093 | ..... | ..... | ..... |
| Hay, bales... | 39,145 | 36,379 | ..... | ..... |
| Flour, sacks. | 316,463 | 283,299 | 210,109 | 433,795 |

OMAHA—Reported by F. P. Manchester, secretary of the Grain Exchange:

| | 1921 | 1920 | 1921 | 1920 |
|---------------|-----------|-----------|-----------|-----------|
| Wheat, bus.. | 4,197,600 | 3,116,400 | 4,146,000 | 2,906,400 |
| Corn, bus.... | 1,450,400 | 1,156,400 | 1,100,400 | 856,800 |
| Oats, bus.... | 1,110,000 | 1,168,000 | 790,000 | 916,000 |
| Barley, bus.. | 180,000 | 118,800 | 163,800 | 111,600 |
| Rye, bus.... | 321,200 | 205,700 | 215,600 | 201,300 |

PEORIA—Reported by John R. Lofgren, secretary of the Board of Trade:

| | 1921 | 1920 | 1921 | 1920 |
|-----------------|-----------|-----------|-----------|---------|
| Wheat, bus.. | 249,900 | 303,600 | 203,600 | 332,400 |
| Corn, bus.... | 1,709,185 | 1,292,700 | 684,450 | 700,400 |
| Oats, bus.... | 1,140,600 | 936,600 | 1,009,800 | 883,800 |
| Barley, bus.. | 43,600 | 276,800 | 30,800 | 271,600 |
| Rye, bus.... | 9,600 | 61,200 | 9,600 | 63,600 |
| Mill Feed, tons | 4,620 | 7,680 | 16,020 | 14,985 |
| Seeds, lbs.... | 120,000 | 180,000 | 90,000 | 150,000 |
| Hay, tons.... | 530 | 5,940 | 180 | 1,140 |
| Flour, bbls.. | 256,600 | 151,300 | 240,200 | 151,300 |

PHILADELPHIA—Reported by S. S. Daniels, statistician of the Commercial Exchange:

| | 1921 | 1920 | 1921 | 1920 |
|---------------|-----------|-----------|-----------|-----------|
| Wheat, bus.. | 3,509,665 | 3,078,543 | 1,636,520 | 1,985,417 |
| Corn, bus.... | 295,105 | 68,488 | 318,025 | ..... |
| Oats, bus.... | 251,044 | 412,504 | ..... | ..... |
| Barley, bus.. | 18,323 | 1,593 | ..... | ..... |
| Rye, bus.... | 59,238 | 133,990 | 18,516 | 88,256 |
| Flour, bbls.. | 305,634 | 293,429 | 94,734 | 95,017 |

ST. LOUIS—Reported by Eugene Smith, secretary of the Merchants Exchange:

| | 1921 | 1920 | 1921 | 1920 |
|-------------------|-----------|-----------|-----------|-----------|
| Wheat, bus.. | 5,457,000 | 4,503,213 | 4,369,230 | 3,578,885 |
| Corn, bus.... | 1,855,100 | 1,514,742 | 1,171,790 | 961,000 |
| Oats, bus.... | 2,437,260 | 2,786,000 | 1,724,990 | 1,893,695 |
| Barley, bus.. | 80,000 | 179,513 | 16,590 | 45,430 |
| Rye, bus.... | 75,900 | 60,500 | 17,940 | 25,970 |
| Kaffir Corn, bus. | 72,800 | 27,900 | 42,590 | 55,870 |
| Hay, tons.... | 9,648 | 25,757 | 3,640 | 7,760 |
| Flour, bbls.. | 621,390 | 343,700 | 815,520 | 401,745 |

SAN FRANCISCO—Reported by A. H. Beyer, statistician of the Chamber of Commerce:

| | 1921 | 1920 | 1921 | 1920 |
|-----------------|-----------|-------|-------|-------|
| Wheat, cts.. | 60,248 | ..... | ..... | ..... |
| Corn, cts.... | 20,484 | ..... | ..... | ..... |
| Oats, cts.... | 23,736 | ..... | ..... | ..... |
| Barley, cts.. | 1,621,315 | ..... | ..... | ..... |
| Rye, cts.... | 2,566 | ..... | ..... | ..... |
| Hay, tons.... | 5,287 | ..... | ..... | ..... |
| Flour, 1/4 sx.. | 431,785 | ..... | ..... | ..... |

TOLEDO—Reported by A. Gassaway, secretary of the Produce Exchange:

| | 1921 | 1920 | 1921 | 1920 |
|--|------|------|------|------|
|--|------|------|------|------|



CANADA

Cadiux & Lastier, Granby, Que., grain dealers have been registered.

F. W. Wright is in charge of the Gillespie Elevator at Tofield, Alta., which was recently opened.

Canada West Grain Company, 433 Grain Exchange, Winnipeg, will erect three elevators at Melfort, Sask., at a cost of \$35,000.

Business operations are about to be started in the Alberta Pacific Elevator at Gleichen, Alta. The elevator was torn down and rebuilt and is now modern in every detail.

Otto Noak has been transferred from the Bruderheim, Alta., office of the Gillespie Grain Company to its Edmonton office. Mr. Noak has been the Gillespie agent at the Bruderheim station for 12 years.

The old Muirhead and Bole Hospital Elevator at Fort William, Ont., has been purchased by the Brooks Grain Company of Winnipeg. It bought the plant from the Bole Grain Company and will operate it as a cleaning elevator.

EASTERN

To deal in grain, hay and produce, Willis & Watson have been incorporated at Ursina, Pa.

The J. Cushing Grain Company has opened an office at Fitchburg, Mass., with A. W. Turner in charge.

John W. Eshelman & Sons of Lancaster, Pa., have purchased the elevator of the Anderson Bros., Inc., at York.

The elevator and coal yards at Philadelphia, Pa., have been purchased from the D. Miller Estate by F. L. Conover.

D. F. Riley has purchased the North Hatfield Grain Company of North Hatfield, Mass. Mr. Riley was formerly with E. Crosby & Co.

To deal in grain, hay, coal, wood, etc., the F. W. Small Company has been organized at Standish, Maine. Its capital stock is \$25,000. S. N. Small is president; F. W. Small, treasurer, and M. G. Sanborn, director of the company.

To purchase and sell grains and cereals, the Chesapeake Food Products Company has been incorporated at Baltimore, Md. Ferdinand I. Gruebel, R. E. Lee Young and William M. Travers are interested. The firm is capitalized at \$5,000.

IOWA

A new elevator is to be erected at Webster City, Iowa, for the Farmers Grain Company.

The Farmers Elevator at Guthrie Center, Iowa, has been taken over by W. M. Browning.

The Farmers Elevator Company of Lanyon, Iowa, will be conducted on a co-operative basis hereafter.

A grain elevator is to be constructed at Bondurant, Iowa, for the Livestock Association of that town.

A new elevator is being erected at Percival, Iowa, for George K. Petring, replacing the elevator which burned.

New dump approaches and a 10-ton scale have been installed at Quimby, Iowa, for Weart & Lysaght.

A grain elevator of modern construction is to be erected at Webster City, Iowa, for the Farmers Grain Company.

The elevator of Henry B. McVeigh at Taintor, Iowa, has been sold by him to the Taintor Shipping Association. U. G. Hull is manager.

The Farmers Co-operative Company of Bridge-water, Iowa, is planning to build a new and modern elevator next year. Z. Steele is manager.

The capital stock of the Farmers Elevator Company of Brunsville, Iowa, has been increased to \$40,000. Barth Miller is president of the firm.

The Farmers Elevator Company of Gowrie, Iowa, has amended its articles of incorporation and will operate as the Farmers Co-operative Elevator Company.

A concrete elevator is to be constructed at Mordale, Iowa, replacing the elevator and lumber yard of the Schneider-Fowler Elevator Company which burned on September 5.

The elevator at Iowa Falls, Iowa, is to be conducted under the name of the Co-operative Elevator Company. The business policy of the firm has

been changed from a stock to a co-operative company and its capital stock has been increased from \$10,000 to \$100,000.

The interests of J. H. Phelps in the Phelps Grain Company of Lost Nation, Iowa, have been purchased by Paul E. Phelps. The firm operates elevators at Lost Nation, Oxford Junction, Elwood and Marquette.

THE DAKOTAS

H. Ostby has sold his grain elevator at Jarvis (mail Bisbee), N. D., to Henry Hammerly.

Business operations have been started in the elevator of the Rapid River Milling Company at Sturgis, S. D.

The New Rockford Investment Company has leased the New Rockford, N. D., elevator of the Ely-Salyards Company.

E. M. Jacobson has accepted a position as manager of an elevator at Ray, N. D. He was formerly located at Steele, N. D.

The elevator of the Geo. C. Bagley Elevator Company at Waubay, S. D., has been remodeled and equipped with a motor. Thos. Terhunc is agent.

Capitalized at \$25,000, the Huber Grain Company has been incorporated at Sioux Falls, S. D. The incorporators are P. L. Huber, M. B. Huber and H. S. Gamble.

The elevator of the Gackle Grain Company of Harvey, N. D. has been opened for business. George Billigmeier is manager. The company handles coal as a side line.

The Victoria Elevator located at Harvey, N. D., has been purchased by John Gutschmidt and will be operated by him under the name of the Harvey Grain Company.

A. J. Sheer is now conducting the grain business at Wildrose, N. D., which was formerly operated as the H. C. Sheer & Son. H. C. Sheer has retired from business.

Louis Maresk, Frank Meyer, and Frank Ashcraft have filed articles of incorporation at Waverly, S. D., as the Farmers Grain & Coal Company. Its capital stock is \$15,000.

The Brink Elevator at Pierre, S. D., has been leased by M. J. Seefeld. He has installed a feed grinder and will conduct a feed business there in addition to operating the elevator.

The elevator at Valley Springs, S. D., operated for the last 35 years by the late G. W. Wright, has been purchased by the E. A. Brown Company of Luverne, Minn. Mr. Wright died last August.

A new Howe Scale and a dump have been installed in the elevator of Potter, Garrick & Potter at Appleby (Watertown p. o.), S. D. The dump pit has also been enlarged to 300 bushels' capacity.

OHIO AND MICHIGAN

Capitalized at \$30,000, the Martindale Bean & Grain Company has been incorporated at Bay City, Mich.

The Berwick Farmers Elevator & Supply Company of Berwick, Ohio, is to equip its elevators with motors.

Capitalized at \$5,000, articles of incorporation have been filed at Holland, Mich., for the Holland Grain Company.

The new 25,000-bushel elevator of Sturgis & Sons at Fowler, Mich., has been completed. It was opened for business on October 1.

The new grain elevator of the Farmers Co-operative Society at Somerset Center, Mich., is practically complete and ready for operation.

A new concrete elevator and warehouse has been completed at Colon, Mich. The Colon Elevator Association owns the plant and will operate it.

The recently incorporated Klepinger Grain Company is now operating the elevator at West Sonora, Ohio, which was formerly owned by H. A. Klepinger.

A jobbing business in grain, beans and hay at Flushing, Mich., is to be conducted by A. Phillips. He was formerly manager of the Farmers Elevator Company.

The contract has been let by Wm. Gregg & Sons of Tiffin, Ohio, for the rebuilding of their elevator. The new elevator will have a capacity of 20,000 bushels; there will be six bins of 3,000 bush-

els' capacity each and three working bins of 1,000 bushels' capacity each. The equipment will include automatic scales for loading and motor truck scales in the driveway.

Electric power is to be installed in the 35,000-bushel elevator and warehouse at Carey, Ohio, owned and operated by the Carey Farmers Co-operative Company.

The new elevator, which the Fenwick Elevator Company of Fenwick, Mich., built to replace the one which burned in April, is practically completed and ready for operation.

The new office of the Berkey Elevator at Berkey, Ohio, is now completed. A new addition has also been erected to the lumber shed of the elevator. C. G. Gormley is manager.

A new grain elevator of considerable capacity is to be erected at Washington C. H., Ohio. It will be built on the site of the elevator operated at one time by Harry L. Daugherty.

The Barr Mill and Elevator at Stoutsville, Ohio, has been purchased by E. A. Allen, formerly of Jamestown, Ohio. Mr. Allen formerly owned and operated a chain of elevators in the vicinity of Jamestown.

The main office of Chas. Wolohan, Inc., who operate a hay, grain, bean and potato business at Gladwin, Freeland, Saginaw, Gera, Hemlock, Birch Run, Chesaning and Davison, Mich., has been moved from Birch Run to Saginaw.

The Farmers Co-operative Elevator Association of West Branch, Mich., has been reorganized into a stock company, capitalized at \$15,000. John B. Lehman is president; M. W. Brock, vice-president; Chas. R. Hamilton, secretary-treasurer.

The elevator of S. J. Rudy at Covington, Ohio, has been leased by him to James A. Rudy. He will operate it under the old firm name of S. J. Rudy & Sons. S. J. Rudy is retiring from business and has also leased his elevator to Bloomer.

The elevators of the Eastern Auglaize Co-operative Company, located at New Hampshire and Waynesfield, Ohio, have been sold by the receiver for the company of The Waynesfield Grain Company and The New Hampshire Grain Company. The two companies were organized to take over the interests of the co-operative concern.

MINNESOTA AND WISCONSIN

Numerous repairs have been made to the elevator of O. Nelson at Hills, Minn.

An elevator and feed mill are to be erected at La Porte, Minn., by Mr. Wurst of Richland, Minn.

The elevator of the Lincoln Grain Company at Tyler, Minn., has been leased by L. Reinholt.

The Nelson Bros.' elevator at Renville, Minn., is under the management now of Albert Henning.

The operation of the Quevli grain business at Lakefield, Minn., has been taken over by Anthony Quevli.

A new office is being erected to the elevator of the Farmers Co-operative Elevator Company of Dundas, Minn.

The flour and warehouse business controlled by Powell & Penwerthy at Dodgeville, Wis., has been purchased by D. D. Lewis & Son.

The Monarch Elevator Company has purchased the Northwestern Elevator at Bellingham, Minn. N. Thlenz will be retained as manager.

The Walworth Lumber Company has purchased the grain elevator at Walworth, Wis., owned by the Armour Company. G. A. Ruhmer will continue to act as manager.

Business operations have been started in the plant of the Poppleston Elevator Company at Kensington, Minn. Louis Shorheim is manager and buyer at the elevator.

The elevator and other property of the old Farmers Elevator Company of Rushford, Minn., have been sold to the newly organized Farmers Co-operative Elevator Company.

A new grain elevator and storehouse are to be built at Milwaukee, Wis., for the Chicago, Milwaukee & St. Paul. It will replace Elevator "A" which burned in January. It will be of reinforced concrete, 85x285, 85 feet high and will cost \$1,500,000. It will be operated by electricity.

Extensive improvements are being made to the Farmers Elevator at Neillsville, Wis., by J. L.

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than actual operation costs. Farmers are now hauling gifts of corn and wheat to the nearby elevators. None of the donated grain will be sold on the market in competition with the farmers' consignments under a pledge given by the Near East Relief Committee.

The H. Poehler Company, grain commission merchants, went into the hands of a receiver the first week in October, greatly to the surprise of the trade. John S. Sweet, local attorney, receiver for the company, declared that an investigation into the company's affairs shows that there are sufficient assets to cover liabilities of the company, although part of the assets are slow coming in. It is expected that the assets will prove sufficiently conserved to enable the firm to reorganize.

At the annual election of the Minneapolis Chamber of Commerce last week, J. H. MacMillan, president of the Cargill Elevator Company, was chosen president, succeeding B. F. Benson. F. C. Van Dusen of the Van Dusen-Harrington Company, was elected first vice-president and H. S. Helm of the Russell-Miller Milling Company, second vice-president.

INDIANAPOLIS EARL BULLOCK - CORRESPONDENT

HENRY J. McCoy, an Indianapolis manufacturer and dealer in hay and feed, died recently at the Methodist Hospital following an operation for appendicitis. He was 48 years old. Mr. McCoy was a native of Odon, Ind. When he was 17 years old he went to Terre Haute, where he entered the employ of a wholesale hay company. He next became manager of the Jordon Poultry Company in Springfield, Ill., and returned to Terre Haute to become manager of the J. W. Murray Hay Company. Mr. Murray was succeeded by the Wilson-McCoy Company, of which Mr. McCoy was junior partner. He came to Indianapolis about 10 years ago, and formed the McCoy-Garten Company, dealers in hay and feed, with offices on South Street. He also was secretary-treasurer of the Sutton-Garten Company, manufacturers of welding apparatus. He was a member of the Board of Trade, and of the Commercial, Columbia, Rotary and Independent Athletic Clubs. Besides his local business connection, Mr. McCoy was interested in a grain company and a welding company in Terre Haute. He is survived by his widow, formerly Miss Lillian Wartz of Brazil, Ind.; a daughter, Edith, 9 years old; four sisters, Mrs. Mary Garten and Mrs. Belle Breden of Odon; Mrs. Pleasy Mason of Akron, Ohio, and Mrs. Emma Hubbard of Indianapolis, and one brother, James McCoy of Odon.

Fire of undetermined origin, which started in the north building of the Farmers' Elevator at Colfax, Ind., recently, destroyed two large elevators and feed sheds belonging to Frank Powers, of Lafayette. It was said by members of the fire department that when they arrived on the scene two men were seen to board an automobile near the elevators and drive away rapidly. This led officials of the company and authorities to believe that the fire was of incendiary origin. The Big Four Elevator owned by J. C. Jordan, of Colfax, which is situated about 40 yards south of the Farmers' Elevator, was saved because of the direction of the wind. Only a few days ago the Farmers' Association of Perry Township, Clifton County, voted to lease the north elevator from Mr. Powers, the plan being to operate it as a co-operative concern. It was to take possession some time next month. The damage to the elevators and adjoining ing buildings is said to be about half covered by insurance.

The grain elevator on Governor McCray's stock farm, near Kentland, together with 10,000 bushels of grain and feed and much valuable farm machinery stored in an adjoining shed were entirely consumed by fire recently which is supposed to have originated from overheated machinery in the mill. Favorable wind and the services of the Kentland fire department prevented the destruction of the main stock barn, containing hundred of tons of hay and fine specimens of Hereford stock.

The Farmers' Union Elevator Company of Carlisle, Ind., has filed a petition in bankruptcy in Federal Court. Liabilities were listed at \$33,801.53 and assets at \$13,940.83.

J. R. Mitchell, who has been the representative of the Washburn-Crosby Company, in Ft. Wayne, for the last 12 years, has been appointed state sales manager of the company. His offices will be in the Board of Trade Building in Indianapolis.

A petition asking that a receiver be appointed for Fred A. Vawter, doing business under the firm name of the Belt Elevator & Feed Company of this city, has been filed in Superior Court, Room 4, by the

Swan Grain Company. The plaintiff company in the petition claims that the Belt Elevator & Feed Company is indebted to it in the sum of \$92.53 for goods purchased. It is stated that many firms and persons are creditors. The petition asks that a receiver be appointed for the purpose of collecting all assets, reducing them to cash and distributing them on order of court to the creditors.

An involuntary petition in bankruptcy was filed against the Warsaw Milling & Grain Company of Warsaw by Daniel E. Smith, also of that city, in Federal Court recently. Franklin P. Wilt and George B. Wilson, both of Warsaw, are partners in the defendant concern. The petition alleges the milling company committed an act of bankruptcy May 23, 1921, when it transferred all its property to the Lake County Bank. The defendant company, according to the petition, is indebted to Smith on a promissory note of \$1,500 and an unsatisfied judgment of \$1,691.50.

J. P. Shoemaker, age 77, of Daleville, a grain dealer, widely known in business and political circles in Delaware County, died recently at his home. He had lived nearly all his life in Daleville, where he was active in the work of the Christian Church. He is survived by a widow, Mrs. Alice Shoemaker; two daughters and three brothers. Mr. Shoemaker operated elevators at Daleville, Middletown and Frankton.

The Kankakee Valley Grain Company has been organized at Schneider, Ind., with a capital stock of \$20,000. Organizers of the company are F. C. Brown, Oscar Peterson, Ira G. Mansfield, Ernest K. Larson and E. C. Bruckman.

One of the features of the recent Indiana State Fair was the grain exhibit of Marion County, of



MARION COUNTY'S GRAIN EXHIBIT AT THE STATE FAIR

which Indianapolis is the county seat. There is a general impression that Marion County is being taken up with factory sites and the city generally and agriculture is being allowed to wane. The display at the Fair dispelled this idea and shows the county yet to be largely agricultural.

TOLEDO C. O. BARNHOUSE - CORRESPONDENT

THE receipts of grain here at Toledo are very light. There is a strong demand for milling wheat but there is little call for the coarse grains.

J. H. Bowman, of Dorset, Vt., a former member of the Toledo Produce Exchange, was calling on friends here recently. He was at one time a member of the firm of Reynolds Bros., and was later associated with the Paddock-Hodge Company.

Gregg Bros.' elevator at Upper Sandusky was destroyed by fire on September 18. It contained about 11,000 bushels of oats and a car load of wheat together with a considerable quantity of Timothy seed all of which was saved with little loss. The building was fully insured. The fire is supposed to have been started accidentally by a homeless character about town who had planned to bunk in the driveway that night. The plant will be replaced by a modern one.

A great deal of publicity was given to a mis-statement in some of the Toledo papers, in reporting the

recent reduction in freight rates. It was stated that the reduction would put about \$100,000 into the pockets of Toledo grain dealers. This is erroneous as the statement is based on a total year's business through this market, while the benefit to local grain men would only accrue on the quantity of grain held by them when the reduction became effective, which would be quite an insignificant amount. The benefits of this cut in freight will go direct to the producer, where it belongs.

Wm. R. Klear was recently appointed receiver for the Pleasant Bend Grain Company, of Pleasant Bend, Ohio, by the judges of the Common Pleas Court at Napoleon. This concern recently failed with assets of about \$2,000 and liabilities of nearly \$30,000. It is reported that they will discontinue.

The "Flea Club" of the Toledo Produce Exchange held their annual outing Saturday and Sunday, October 1 and 2, at the Rockwell Trout Club, at Castalia, Ohio. The time was spent playing baseball and other games with eats between times. Sweet cider, plenty of which was provided, is the club drink. About 40 were there. The trip was made by automobiles.

J. F. Hall, resident manager for The Weber Flour Mills Corporation, of Salina, Kan., has made application for membership in the Toledo Produce Exchange.

The SS. *Progress* with 75,000 bushels of No. 1 Marctoba wheat arrived last week and unloaded at a local elevator. This cargo was consigned to a Detroit milling firm who were unable to unload at that port on account of their marine leg having collapsed some time ago and not having been rebuilt yet. The SS. *Pansy*, carrying 175,000 bushels of Canadian wheat from Fort William has just arrived and will

unload at Rosenbaum Bros. Elevator. Much of this wheat has been bought by Ohio millers. The duty on this shipment will aggregate about \$61,000.

The Northwestern Ohio Grain Dealers Association held their annual meeting Monday, October 3, at 8 p. m., at Sherwood, Ohio. After the election of officers the meeting was addressed by the president-elect, after which the following subjects were discussed. "The success or failure of the farmers' elevator," "Eradication of weevil in wheat," "Handling the new corn crop" and "The coal situation." There was a good attendance of the local dealers and managers of the territory.

Farol Bros. successors to Simons, Day & Co., have closed their branch office on the Exchange floor. Ben C. Hoffner was local manager for the firm.

Chief Grain Inspector Samuel A. Holder of the Indianapolis Board of Trade spent several days in Toledo last week. He was formerly a deputy inspector for the Toledo Exchange.

O. H. Paddock returned last week from a month's motor trip through New York and other Eastern States. Excepting some fierce detours he reports a very enjoyable trip.

L. W. Forbell, of New York City, called on Toledo friends on his way home from the Chicago convention.

The marriage of Helen Rosebrough, daughter of Mr. and Mrs. H. E. Rosebrough, of Huntington, Ind., to John Frederick Wickenhiser, son of Mr. and Mrs. John Wickenhiser of Toledo, took place October 1 at the home of the bride's parents. Rev. W. T. Angus, pastor of the First Presbyterian Church, performed the ceremony. Upon their return from a

motor trip Mr. and Mrs. Wickenhiser will be at home at 2230 Lawrence Avenue, Toledo, where the groom has a residence furnished awaiting their return.

NEWS FROM NORTHERN OHIO

BY T. J. CUNNINGHAM

A farm was sold by the sheriff here at Tiffin last month for \$14,000. A year ago this same farm brought \$21,000, at a sheriff's sale. That tells the whole story.

Dealers formerly estimated the size of the wheat crop being put out by the amount of fertilizer they sold. This year, they'll not be able to do this, as many farmers are cutting out the fertilizer, and sowing their wheat without.

More Pool wheat will be sown in this vicinity this year than has been the case for some time. Farmers who have always sworn by the Red Wave variety, under the impression that it yielded better than others, are beginning to realize that it does not "test up" with such varieties as Pool.

The insurance companies managed to salvage four cars of oats and two cars of wheat from the ruins of the Wm. Gregg & Sons elevator, which was destroyed by fire at Upper Sandusky during the night of Sunday, September 18. Already, men are at work clearing away the ruins preparatory to the erection of a new elevator on the old site.

A. A. Cunningham, president of The Sneath-Cunningham Company, Tiffin, has returned from a two-weeks' trip to Boston and points in the East, during which he attended the Supreme Council, Thirty-third Degree Masons. The trip was made entirely by automobile.

Mr. Burns, of The Mutual Commission Company, Cincinnati, spent Tuesday, September 27, in Tiffin looking after business.

Arthur B. Powell, formerly treasurer of Seneca County, is now spending all of his time looking after his elevator business, at Kansas, conducted under the name of Mitchell & Powell.

The Farmers' Elevator Company, Grant, Ohio, are cutting down expenses. Some time ago, they dispensed with the services of Joe Davis, extra man, and Dave Laubis, manager, will try to operate the elevator without assistance.

The Maple Grove Farmers Elevator Company, Maple Grove, Ohio, is thinking of installing a 20 horsepower feed grinder and also an oats cleaner in the near future.

F. O. Alston, representing J. M. McCullough & Sons Company, seed merchants of Cincinnati, was a business visitor in Tiffin, recently.

On the night of Sunday, September 18, fire totally destroyed the Wm. Gregg & Sons' elevator at Upper Sandusky, Ohio; 13,000 bushels of grain were in the house at the time, 2,000 bushels of this were wheat, and 11,000 oats. The loss is placed at \$30,000. Building and contents were fully covered by insurance. The cause of the fire has not been determined.

The contract for rebuilding the elevator has been let to the J. Horn Construction Company, Frankfort, Ind. The new plant will have a capacity of about 20,000 bushels. It will be constructed of six-inch cribbing, and will contain nine bins, six of which will hold 3,000 bushels each, and three, 1,000 bushels each. The equipment will include automatic scales for loading, and motor truck scales in driveway. Workmen are at present engaged in clearing away the debris of the old elevator, preparatory to starting the new work.

An effort is being made to put the old Findlay, Fort Wayne & Western Railroad in operation again. The transportation committee of the Findlay Chamber of Commerce is endeavoring to interest Henry Ford in the project. A few years ago this road was abandoned after the war Railroad Administration had refused to take it over with other roads. Much of the right of way has since been bought back by contiguous land owners, and a quantity of the rails has been sold. The line ran between Findlay and Fort Wayne, Ind., and connected with the C. H. & D., at Ottawa, Ohio. Big grain crops are raised in the vicinity, and at one time about 20 elevators were doing business along the line. Churchill & Co., Toledo, Ohio, operated nearly all of them. Some of these have since been torn down. One, which formerly stood at Moffits, Ohio, was re-erected at Findlay by a farmers' company.

Farmers have practically completed their wheat sowing in this territory. A large crop has been put out, and it has gone in under ideal conditions. The ground was never in better shape for the purpose, and everyone seized the opportunity to put out a good acreage. The wheat is now coming up nicely

under "made to order" weather conditions. We've had a plentiful supply of moisture, coupled with cool weather. If this crop should prove a failure, the fault cannot be attributed to a "bad start."

It is reported from Hancock County that the corn crop will not amount to more than two-thirds of a normal crop. South of here, the corn fields look pretty sick. The shocks are so short and small as to remind one of sweet-corn shocks. Continued dry weather during the greater part of the summer was responsible for the failure of the corn in this locality. As an offset to this, however, the ear worm is not much in evidence. To the north and west of Tiffin, the corn crop is very good, although the ear worm is to be found more often here, in the late corn. In the vicinity of Amsden, some fields of early corn were examined where it was not uncommon to find ears 13 inches in length. The weather, at the moment, is favorable for corn in the shock, and will put it in good shape for husking. None has come on the market here, as yet.

No grain is moving here at present. The continued downward trend of prices has completely stopped the movement from farms. There is no great amount of wheat and oats held back here, and farmers cannot be induced to sell what little they still have, except at a much higher level of prices.

IOWA FARMER DEALERS TO MEET

The Iowa Farmers Grain Dealers Association will meet at Fort Dodge, January 24 and 26. The new Farmers Grain Dealers Service Company, which handles supplies for the elevators, will have a place on the program.

The officers and directors of the Association are: S. J. Cottingham, president, Stanhope; C. H. Nelson, vice-president, Garner; J. L. Larson, Fort Dodge, secretary; E. A. Hicks, Geneva, treasurer, and E. H. Huibregtee, Hull; J. R. Sweeney, Sheldon; Jorgen Anderson, Graettinger; B. E. Morton, Rockwell City; R. A. Holman, Rockwell; E. L. Middleton, Eagle Grove, and Simon Kemmerer, Ames, directors.

NEW YORK DEALERS TO MEET

The regular fall meeting of the Mutual Millers and Feed Dealers Association will be held in Olean, N. Y., Friday, October 21. Headquarters will be at the Olean House and the meeting will be called to order at 1 p. m. sharp.

Some of the members attended the convention of the Grain Dealers National Association held in Chicago the first of this month, and a report of this meeting will be given at Olean. A snappy, interesting program is being arranged and as Olean is very accessible for many members a good attendance is anticipated.

By action of the Board of Directors the Association has affiliated with the Grain Dealers National Association. This is an organization of many years standing, and most of the reliable mills and grain dealers of New York are members of this Association.

MEETING OF MICHIGAN BEAN JOBBERS

The annual meeting of the Michigan Bean Jobbers Association was held in Detroit, September 21 and 22. President Christian Breisch of Lansing gave an interesting outline of the bean situation. His address was followed by talks by A. C. Dorange of Joseph Campbell Company of Camden, N. J.; H. E. Sayre of R. C. Williams & Co., New York; George R. Brown of Geo. Haxton & Son, Oakfield, N. Y.; George A. Buse of Buse & Caldwell, Pittsburgh, Pa.; and W. I. Biles, of the Saginaw Milling Company.

The election of officers resulted as follows: President, Christian Breisch, Lansing; first vice-president, Fred M. Cross, Bad Axe; second vice-president, W. E. Snelling, Bay City; third vice-president, F. F. Flaherty, Charlotte. Directors: Felix O'Melia, St. Louis; James Crawford, Ithaca; Henry Martini, Merrill.

Among the subjects discussed were: "Burlap vs. Cotton Bags"; "Discount for Cash"; "Elevator Cost Accounting"; and "Brokers Fees."

GRAIN SHOW TO BE BEST EVER

A stretch of prairie land dotted with miniature farms complete in every detail will be one of the unique features at the International Grain & Hay Show to be held in Chicago November 26 to December 3.

The strip of land will be lifted from the experimental fields in North Dakota and brought to Chicago on a flat car. The exhibit will show the result of a six-year grazing experiment conducted by North Dakota in co-operation with the United States Department of Agriculture.

The number of exhibits from agricultural colleges, better crop associations and individual farmers competing for the \$10,000 in prizes offered by the Chicago Board of Trade for best samples will far exceed those of the two previous expositions. In competitive classes, according to Prof. W. Q.

Fitch, assistant superintendent of the show, the number of exhibits will be 25 per cent larger. Several hundred entries have been made in the Junior Corn Contest, a new feature.

Large exhibits have been completed by agricultural colleges of Idaho, Illinois, Indiana, Louisiana, Michigan, North Dakota and Wisconsin, and the other grain and hay states are expected to report their entries within the next two weeks.

The exposition was made possible through the permanent contribution of a \$10,000 premium list each year by the Board of Trade. The show, which is conducted solely in the interest of better crops, is held in connection with the International Live-stock Exposition.

GRAIN TRADE PATENTS

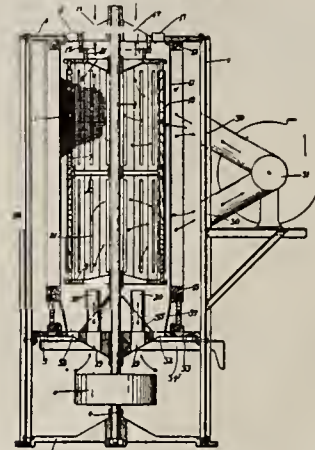
Bearing Date of August 23, 1921

Grain bag holder.—Ira B. White, Fort Worth, Texas. Filed June 11, 1921. No. 1,388,823.

Bearing Date of August 30, 1921

Process and apparatus for polishing grain.—Joseph A. Smith, De Witt, Ark. Filed November 11, 1919. No. 1,389,277. See cut.

Claim: A grain polishing machine including, in combination, a foraminous casing, a brush spaced from



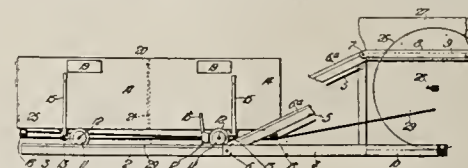
said casing forming a grain passage way therewith, means for establishing currents of air through the ends of said brush and across said passage-way, a housing for said casing, and an exhaust port formed in a wall of said housing.

Bearing Date of September 6, 1921

Cotton seed meal press.—James Robert McClung, Carter, Okla. Filed October 1, 1920. No. 1,390,053.

Apparatus for handling of grain in bulk.—Andrew E. Heath, Footscray, Melbourne, Victoria, Australia. Filed December 4, 1919. No. 1,390,032. See cut.

Claim: In grain-handling apparatus, the combination of a pair of horizontal rails and a ramp including a pair of inclined rails disposed in endwise alignment with the horizontal rails and pivoted thereto at their lower ends, said horizontal rails and ramp be-



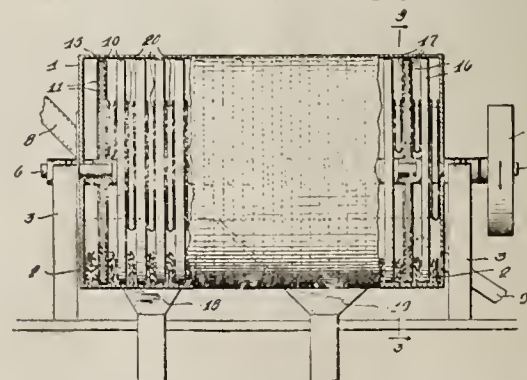
ing portable bodily as a unit; a truck; and a draw line connected to the truck to haul it along the horizontal rails and then onto and upwardly along the ramp rails.

Bearing Date of September 13, 1921

Tailings separator.—Frank Hamachek, Kewanee, Wis. Original application filed August 20, 1915. Divided and this application filed November 19, 1917. No. 1,390,781.

Grain separator.—Albert H. Miller, Miltons, Minn. Filed July 11, 1921. No. 1,390,806. See cut.

Claim: A grain separator comprising a container for the grain, a shaft extending therethrough, and having an inlet at one end of said container, and an outlet at its opposite end, a plurality of disks mounted on said shaft, said disks being provided with a



plurality of cylindrical recesses or pockets, each pocket having an inclined side, the disks adjacent the inlet end of the container being provided with smaller pockets than those adjacent the outlet end of the container.

Bearing Date of September 20, 1921

Grain elevator.—Thomas D. Budd, Chicago, Ill. Filed April 12, 1920. No. 1,391,297. See cut.

Claim: A receptacle for finely divided materials, having a vertically disposed wall, a downwardly fun-

nated, it is believed in the engine room. The loss was \$40,000. The elevator was filled with wheat and oats. Edward F. Elliott was manager of the company.

Mound City, Mo.—Fire destroyed the iron clad addition and damaged the power house of the Mound City Mill & Elevator Company on September 15. Loss amounted to \$250 on the building and \$100 on the boiler.

Flandreau, S. D.—Damages amounting to \$2,000 were done to the Lang Elevator, managed by M. M. Lang, on September 16. The fire broke out in the cupola of the plant but was checked before great damage was done.

St. Louis, Mich.—The plant and stock of the

Bad Axe Grain Company was destroyed by fire on September 14. Plant loss was \$11,054.46; loss on contents, \$5,499.52. The insurance amounted to \$15,000. The cause of the fire was unknown.

Belleville, Kan.—Grain to the amount of 4,000 bushels wheat and 1,000 bushels oats and the grain elevator of the Konovalsky Bros., were burned on September 29. The loss sustained by the owners of the establishment amounts to about \$14,000.

Manchester, S. D.—Early on the morning of September 23 fire was discovered in the Bjornson Elevator which contained 12,000 bushels of small grain. The elevator was a total loss. The loss is estimated at about \$20,000. Insurance of \$4,000 was carried on the grain; \$10,000 on the building.

OBITUARY

BOYNTON.—Wallace W. Boynton died from injuries received when he was struck by an automobile. Mr. Boynton was a pioneer member of the Chicago Board of Trade.

CATOR.—Injuries received by Bert O. Cator, an elevator owner of Stratford, Texas, when he fell down the shafts of his elevator, resulted in his death.

COHRON.—On September 6, C. H. Cohron died at his home in Stuart's Draft, Va. He was a member of the firm of C. H. Cohron & Son and had for many years been prominent in the hay business of the South.

FINCH.—John O. Finch died, aged 60 years, at Martinsville, Ind. He was a grain dealer, having built an elevator at Centerton seven years ago and operated since then.

HARRINGTON.—J. J. Harrington died at an Omaha hospital recently. He was well known as an elevator man at Carthage, S. D. His widow and three children survive him.

JENKINS.—William R. Jenkins was drowned while in bathing at Atlantic City, N. J. He was a retired feed and flour merchant at Scheneyus, N. Y. He had been associated with Edward J. Goddard in Goddard & Jenkins. He later bought out his partner and operated alone until two years ago when he sold to West Bros. & Nesbitt.

JOHNSON.—F. S. Johnson, a grain dealer, died at Corsicana, Texas, aged 63 years. He is believed to have committed suicide.

JONES.—On October 4, O. L. Jones, head of the J. A. & O. L. Jones Mill & Elevator Company of Nashville, Tenn., passed away. He had been connected with the grain and milling trade for 25 years. Mr. Jones was 50 years old when he died.

KRAMER.—J. E. Kramer on September 12 died at Denver, Colo. He was 64 years old and had been actively engaged in the grain and milling business for years.

LAMB.—Heart disease caused the sudden death of William Lamb at Harvey, N. D., on September 17. Mr. Lamb had for the past 13 years been manager of the Farmers Elevator at Harvey.

MCCOY.—On September 28, following an operation for appendicitis, Henry J. McCoy died at Indianapolis, Ind. He was a dealer in hay and feed

and was a member of the Indianapolis Board of Trade, the Chamber of Commerce, the Indianapolis Hay and Grain Club. Mr. McCoy was 48 years old at the time of his death.

LAUDICK.—J. C. Laudick died on September 26 from tuberculosis. He was for years at the head of the Farmers Grain & Supply Company of Spearville, Kan.

MCCORD.—William M. McCord died suddenly at the age of 58 years, from acute indigestion. He was at the head of Henry D. McCord & Son, Inc., of New York City.

PARR.—Henry A. Parr died recently at Atlantic City, N. J., where he had made his home in recent years. He was formerly at the head of the grain exporting firm of I. M. Parr & Sons of Baltimore; he had been president of the Baltimore Corn & Flour Exchange in 1887 and 1888. Mr. Parr was 74 years old at the time of his death.

RAMSAY.—John B. Ramsay died at his home in Baltimore, Mo., recently. He was a member of the Baltimore Chamber of Commerce and was prominent in local financial circles.

RICHMOND.—Following a short illness, M. C. Richmond died at Adams, Mass., aged 72 years. Mr. Richmond was for years in the grain business there.

SCOTT.—Edw. Wood Scott died at his home in Columbus, Ohio, on September 21, aged 71 years. Mr. Scott who was a member of the firm of Scott & Woodrow Company was well known to the grain trade in the Middle West, and had been in the grain business in Columbus since 1879. He founded the old firm of Seeds & Scott, succeeded later by Scott & Woodrow Company.

SHOEMAKER.—Aged 78 years, John Polk Shoemaker died at his home in Daleville, Ind. He was widely known because of his activities in the grain business and operated grain elevators at Daleville, Middletown, and Frankton.

STERLING.—Aged 46 years, Louis C. Sterling died at Portland, Maine. He had recently been with Burbank Seed Company and for years had been in the grain business in the Northeast.

STREET.—J. W. Street died at an Indianapolis hospital following an operation. He was agricultural agent for Owen County, with headquarters at Spencer.

FIELD SEEDS

The management of the Ullathon Seed Company of Memphis Tenn., is under the direction of Jos. L. Mitchell.

The capital stock of the Routledge Seed & Floral Company of Salem, Ore., has been increased from \$25,000 to \$75,000.

Harry Sunfield is no longer connected with the Marlow Seed Company of Wichita, Kan. He left the firm on September 15.

The retail department of the American Seed & Seedtape Company of Madison, N. J., has been enlarged to include farm seeds and bulbs.

The Iowa Seed Company of Des Moines, Iowa, is being reorganized by Charles N. Page. Mr. Page was formerly president and general manager of the company.

A building at Kansas City, Mo., has been purchased by W. A. Duncan & Co. The company engages in a wholesale field seed and potato brokerage business. In the new quarters they have a main storeroom 30x140 feet with a first class con-

crete basement which has storage capacity of from 15 to 20 cars, suitable for either field seeds or potatoes.

The seed department of the Wilson Seed & Floral Company of Columbus, Ohio, is under the management of Frank Steffan. He was formerly with the Livingston Seed Company of Columbus.

The name of the Tucson Seed & Floral Company of Tucson, Ariz., has been changed to that of the Langers Seed & Floral Company. No change has been made in the organization of the company.

The Webster-Davenport Company, seed and plant dealers of Davenport, Iowa, has been dissolved. The company was organized in 1920. H. T. Webster was president and W. H. Hosmer, secretary.

Reports coming in on the new seed oats crop say that the crop is low in germination; some of it is worthless. Seedsmen offer this suggestion, "In buying seed try to get a germination guarantee. If you are in doubt about the germination of bought or home-grown seed, send a sample to your experi-

ment station or agricultural department and have it tested; or have your boy or girl make a test, if they have been taught how to do this in school." A test in time will save you disappointment at the harvest season.

The Sutton Seed Corn Plant at Geneseo, Ill., has been purchased by H. W. Withrow from A. K. Ellsberry who has operated it for several years. Mr. Withrow has been connected with the establishment for some time.

A new building at Franklin, Va., is now occupied by the Council Seed Company. The entire stock of old seeds were sold before the company moved into its new quarters, so the company starts out with an entirely new lot of seeds.

The Loeb's Seed Company of Aberdeen, S. D., has been purchased by J. B. Taylor, proprietor of the Northern Seed & Nursery Company of Ipswich, S. D. The property includes a retail store, feed grinding mill, elevator, etc. The plant cost \$60,000.

The seed business of C. H. Clark at Durango, Colo., has been purchased by F. W. Kroeger and John Waters and others. They will install a feed mill and will grind feeds for poultry and livestock and will operate as the Farmers Supply Company.

Work on the new buildings of the A. A. Berry Seed Company of Clarinda, Iowa, replacing those burned, has been started. In building the new warehouse, and office, the old foundation and some of the cement floors will be used. The elevator will be built on a new site.

A retail plant and seed store has been opened at Cordele, Ga., by the Cordele Seed & Plant Company of which R. Leon Webb is manager. With Mr. Webb will be associated J. E. Mathews. The company will handle a complete line of field and garden seeds, plants, bulbs, etc.

CONTROL OF CORN ROOT ROT

The Ohio Experiment Station on the Clermont County Experiment Farm at Owensville, Ohio, is experimenting in ways to control root rot. The effect of seed treated with hot water, formaldehyde, with untreated seed planted on fertilized and unfertilized, drained and undrained land, will be studied.

REDUCTION IN PRODUCTION OF VETCH

Dry weather together with the premature ripening of the seed pods in the northern portion of the State of Michigan caused a reduction of about 25 per cent in the production of Hairy Vetch seed. The production of the seed in the entire state is estimated at from 75 to 90 per cent of that of last year.

Allegan and Ogemaw Counties are expected to produce fully as much seed as last year, because any reduction in yield seems to have been offset by increased acreage, and vice versa.

In the Willamette Valley, Ore., the acreage is reported to be less than normal, but the yield is somewhat better, running about 1,000 pounds clean seed per acre compared with an average of 700 pounds.

Up to the middle of September about one-half of the 1921 crop, which is estimated at 800,000 pounds to 1,000,000 pounds had been sold. Harvesting began August 1-15.

REDTOP MOVING FREELY

Up to September 20, according to reports received by the Bureau of Markets and Crop Estimates 85 per cent of the Redtop seed crop in Illinois had been sold by growers. This quick disposal of seed was also affected by the satisfactory price offered. Good weather for threshing and the growers' need for money, too, were factors influencing the early movement and quick sale of the crop.

Prices were 16 cents to 16½ cents per pound for recleaned seed on September 20, about the same as those prevailing a week previous and slightly higher on the average than those of August 30. The quality of the seed on the whole is about the same as that of last year's crop. Reports from Clay County and Fayette County, however, indicate that the seed is somewhat lighter in weight and slightly poorer in quality than that of last year, while in Marion County and some parts of Wayne County it is of somewhat better quality.

CLOVER INDEPENDENT

Southworth & Co., of Toledo, in their letter for week of October 8 say: Clover seems to be in a class by itself. Shows independent strength. Severe liquidation in grains has not affected it. Some think Clover high enough compared with price of grains.

Market covered nearly a \$1 range this week. Good support is in evidence on all moderate setbacks. There was some removal of hedges against cash sales for deferred shipment, in addition to fresh investment buying. Certain dealers reporting good cash demand, especially for deferred shipment. Much of the Clover is still in the fields unhulled, and is subject to deterioration if weather continues unfavorable. October usually brings good

receipts. Increased receipts are expected later in the month. Considerable headed this way, being shipped in to apply on October contracts. Some deliveries have already been made. Many will accept delivery, expecting to ship the seed. General reports indicate there will be a larger crop of wheat sown this season, which should make a larger demand for Clover. Receipts this week 1,779 bags. Shipments 445. No imports.

PRODUCTION OF TIMOTHY SEED

Due to reduction in acreage and yield through unfavorable weather, the production of Timothy seed was only 75 per cent of last year, says the Bureau of Crop Estimates.

Most growing sections show a decrease in acreage, amounting to 10 to 25 per cent for the United States as a whole, the largest reduction being in south eastern Mississippi, 35 per cent. There was a reduction of 24 per cent in Wisconsin, 34 per cent in Indiana, 35 per cent in central Illinois, 28 per cent in North Dakota. In northeastern Iowa and central and northern Minnesota are the only sections showing acreage increases, 12 per cent, in the former and 5 per cent in the latter district. In both southern Illinois and southern Ohio there are increases of yield as compared to last year, but all other sections show a decrease, the greatest being in northeastern Missouri, central Illinois and in Indiana, where the decrease runs from 19 to 24 per cent of last year.

THE STORY OF A VIRGINIA SEED HOUSE

In the year of 1898 D. M. Wetsel began growing pure bred seed corn on a small farm of 14 acres. He sold seed corn from year to year and

Even potted flowers, ferns, nursery stock, shrubbery, goldfish, canaries, parrots and supplies are sold by the company.

Within the past 12 months poultry supplies have been added, and the stock includes everything from a leg band up to feeds in car lots. In the spring of the year, particularly during the Easter season, baby chicks are sold and shipped.

The official roster is: D. M. Wetsel, founder; S. S. Shaver, a retired miller, president; A. W. Wetsel, vice-pres., treasurer and manager; E. H. Wetsel, secretary. Directors are the above with S. B. Hoover and H. C. Warden.

The main building of the company, shown in the illustration is located at Court Square and West Market Street. The building is well arranged and is attractive in appearance. It carries out the firm's established policy of good clean advertising, backed by dependable products.

SWEET CLOVER ACREAGE REDUCED

There has been reduction in the acreage of Sweet Clover, due probably to the low prices and the difficulty of growers to sell their crop, last year which will bring the total production figures for the United States down to about 70 per cent of last year's crop. The season, although hot and dry, has been favorable for Sweet Clover seed production and in most sections the yield per acre is expected to be fully as large as last year.

In North Dakota and Utah, which led last year in production, the decrease has been from 25 per cent to 50 per cent. In northwestern Minnesota and southeastern Kansas the acreage was much smaller, but these decreases are partially offset by somewhat larger acreages reported for several

per cwt., \$10@13; Millet, per cwt., 95c@1; Sudan grass, per cwt., \$2@2.24; Cane, per cwt., 90 cents@1.00.

SEED CONDITIONS AT MILWAUKEE

BY C. O. SKINROOD

The seed market shows some unexpected developments in Milwaukee in recent weeks. For example, while the receipts of Clover seed in the past month have been 215,185 pounds, the shipments have been no less than 1,000,524 pounds. This indicates fairly active receipts, while the shipments have been practically five times as large as the receipts if the figures collected by the statistical department of the Chamber of Commerce are accurate.

The receipts of Clover seed in the past month of 215,185 pounds, compare with receipts a year ago of 53,668 pounds. Receipts have therefore been just four times as large as a year ago, though the volume offered in 1921 was not particularly extraordinary. The shipments of Clover seed in the past month, totaling over 1,000,000 pounds, compare with 130,500 pounds of Clover seed shipped for the corresponding month a year ago. Shipments of Clover seed therefore for September, 1921, were between seven times and eight times as large as for the corresponding month a year ago.

The Timothy trade also shows some curious facts. The receipts of the past month were no less than 1,565,532 pounds as compared with shipments of only 87,603 pounds for the same month. Receipts were therefore 16 or 17 times as large as the shipments for the past month. The receipts of about 1,565,000 pounds of Timothy seed in the past month compare with receipts of 90,000 pounds for the corresponding month a year ago. Here again, receipts show up about 17 times as large as a year ago, indicating that a flood of Timothy seed is coming to market and that farmers are disposed to let go of their supplies at present prices just as fast as they can. The shipments of Timothy seed in the past month of 87,603 pounds compare with shipments of only 30,000 pounds for the same month a year ago. Shipments for September, 1921, were therefore about three times as large as the shipments for the same month a year ago, though the volume of shipments in September for both years was not especially large.

Summarizing these figures, the Timothy receipts were very large over 1,500,000 pounds and shipments of Clover seed were also very large—over 1,000,000 pounds. Other figures in the month's receipts and shipments of seeds were not so far from normal.

The Chamber of Commerce reports that there were fairly large offerings of seeds in the past month, that the demand varied greatly, and at times low grades were rather hard to place owing to the disinclination of the trade to make purchases at current levels unless the quality was fully suitable for the buyers.

One of the features of the month's trade was the sharp rise in flax seed which sold up to 32 cents in sympathy with grain features. Price changes in other varieties of seeds were not marked. Quotations of Red Clover were given as \$13 to \$19, White Clover at \$21 to \$40, showing a wide range of quality and prices, Alsike at \$10 to \$16, No. 1 Northwest flax at \$1.88 to \$2.20, poor to good Timothy at \$3 to \$4.25 and choice to fancy at \$4 to \$5.

Wisconsin will have a rather high yield of flax as compared with average yields over a series of years, but it will be a little less than last year. The figures for the state show a yield of 95,000 bushels for 1921 as compared with 88,000 bushels a month ago, 101,000 bushels for last year and 65,000 bushels as the five year average. The figures suggest the sharp improvement noted in the last month, due to the late summer rains.

A decisive cut in the acreage of Clover for seed in Wisconsin of no less than 30 per cent is the most sensational incident in the crop year in Clover in this state. This factor alone has cut down the state yield by about one-third and may make a scarcity in seed for the season.

The acreage cut for seed in Wisconsin is given at 118,000 and the condition is given at 80 per cent as compared with 84 per cent a month ago and 10-year average of 84 per cent.

Wisconsin's yield of Clover seed is given at 236,000 bushels as compared with 338,000 bushels last year and a five-year average of 298,000 bushels. The yield is therefore materially under a year ago, about one-third and about 20 per cent less than the average harvest over the last five years.

Wisconsin is estimated to have produced a yield of field beans of only 95,000 bushels as compared with 147,000 bushels a year ago and a five year average of 157,000 bushels. The yield this year shows a decisive slump of about one-third.

The yield of field peas in Wisconsin is also decidedly low with 620,000 bushels as compared with 514,000 bushels estimated a month ago, 1,063,000 bushels produced a year ago and a five-year average of 873,000 bushels. The supply is much less

(Field seeds continued on Page 340)



PLANT OF THE WETSEL SEED COMPANY, INC., HARRISONBURG, PA.

the project increased in volume until a farm of 160 acres was bought in the year of 1904. This was known until 1912 as the "Green Island Seed Farm." The name was derived from the fact that 120 acres really was an island in the Shenandoah River. The other part of the farm adjoined. About 80 per cent of the entire farm was therefore fine river bottom and produced excellent corn.

In 1912 a seed store was opened in Harrisonburg, the county seat of Rockingham County, Va., and 12 miles from the farm. The store was started on a small scale but was a success from the beginning. The style of the firm was then D. M. Wetsel & Son, but in 1915 the business was incorporated as the Wetsel Seed Company, Inc.

In 1917 the store's manager, A. W. Wetsel, was called to the army. The business was managed by his younger brother, E. H. Wetsel, who was able to hold it together and make a little money. In March 1919, A. W. Wetsel returned and a few months later the charter was amended to allow \$200,000 capital instead of \$10,000.

The business is growing rapidly, and promises soon to become one of the largest seed houses in Virginia. Being located in Harrisonburg, the best of railroad facilities are afforded for shipping to all parts of the "Shenandoah Valley," as well as other parts of Virginia and West Virginia. Two other buildings are occupied by the firm, one of which is located on the track with space for four cars.

The firm specializes in seed corn, seed wheat and field seeds, being one of the largest dealers in Timothy, Clover, Alfalfa, Orchard Grass, etc., in the state.

Everything is carried from a 5 cent package of garden or flower seed up to field seeds and grains.

counties in North Dakota, including McHenry, and Eddy, and a number of counties in Kansas, Nebraska, South Dakota and Montana.

The carryover in growers' and seedsmen's hands is believed to be large, and the latter are quoting good quality seed wholesale at \$8.50 to \$10 per 100 pounds. Reports from Canada indicate a smaller yield than last year on a greatly reduced acreage. During the fiscal year ending June 30, 1921, the United States imported 3,133,012 pounds of White Sweet Clover seed from Canada and 2,215,355 pounds the previous year. During July and August, 291,049 pounds were imported.

SEEDS AT KANSAS CITY

BY B. S. BROWN

A fair movement of Alfalfa seed is reported, most of which is being held for the spring sowing demand. Good offerings from Utah are in fair demand, as the Kansas yield was unusually small. Most of the recent offerings have been from Oklahoma and Arizona. The surplus of Timothy seed has been about exhausted, according to most country advices. No important offerings of Red Clover seed are expected until the latter part of the month. The Missouri crop was small. Bluegrass seed is held firmly at a high level. There is some inquiry for Sudan grass from Texas. New Millet seed will probably be on the market soon. Crop advices regarding cane are favorable. There is no demand at present.

Kansas City prices for carlots, as from first hands, except where otherwise specified, are as follows: Alfalfa, per cwt., \$11@12; Timothy, per cwt., \$3@3.80; Clover, per cwt., \$12@16; Bluegrass, per cwt., cleaned, resale, \$35@45; Meadow Fescue,

Kleckner. The old engine room has been torn down and a new warehouse room erected on its site. The old warehouse near the elevator has been torn down and put into the new addition.

A permit has been granted the Northfield Farmers Co-operative Elevator Company of Northfield, Minn., for the erection of a 40-foot feed storehouse near its present elevator.

To handle grain, feed, flour, produce, etc., the Thomas-Phalon Company has been incorporated at La Crosse, Wis., capitalized at \$20,000. C. A. Thomas, J. A. Phalon and H. Thomas are interested.

W. E. Moss, P. R. Long, Henry Rust and Frank Baker have incorporated at Reading, Minn., as the Farmers Co-operative Company. The organization will handle grain, flour, etc., and is capitalized at \$75,000.

The Horlick's Malted Milk Company is building a modern elevator of 125,000 bushels capacity at Racine, Wis. The general contract for erecting and equipping the house has been let to the Macdonald Engineering Company.

The elevator and property of the Fleischmann Malting Company at Claybank (r.f.d. Goodhue), Minn., have been purchased by a recently organized Claybank Farmers Grain Company. Wm. Gorman, Thos. Moran and others are the organizers.

Capitalized at \$100,000, the "D" Elevator Company has been incorporated at Minneapolis, Minn. The company will engage in the cleaning, mixing and grading of grain. Mart M. Monaghan, L. C. Christofferson, Carl A. Schurke and others are the incorporators.

To deal in grain, flour, feed, produce, etc., the Pennington Consolidated Rural Co-operative Agency has been incorporated at Prentice, Wis. Oscar Stevenson, Chas. J. Anderson and R. F. Groves are the incorporators of the company which is capitalized at \$3,000.

SOUTHERN AND SOUTHWESTERN

J. H. Cunningham is erecting an elevator and feed mill at Cement, Okla.

The Farmers Co-operative Elevator Company is to install a grain elevator at Fort Cobb, Okla.

The charter of the Farmers Co-operative Association of Marlow, Okla., has been surrendered by it.

C. A. Polson has joined the local staff of the Adolph Kempner Company at Oklahoma City, Okla.

New quarters at 110 Clinton Street, Huntsville, Ala., are now occupied by the Huntsville Grain & Feed Company.

The Farmersville Mill & Light Company of Farmersville, Texas, has overhauled its elevators and equipped them with new machinery.

The elevator and mill at Honey Grove, Texas, have been purchased by the Riley Bros., who will conduct a general grain and mill business.

The Cherry-Moss Grain Company of Union City, Tenn., will install a 20-horsepower motor, which will give it power to shell about two cars of corn per day.

Capitalized at \$50,000, the Farmers Union Exchange has been incorporated at Pawnee, Okla. O. E. Muck, S. T. Belden and E. F. Grubb are the incorporators.

R. A. Killinsworth has opened a new grain, cotton and stock office at Salisbury, N. C. He was for some time connected with the cotton brokerage firm of C. I. Jones.

Hagner & Owen have been organized as a partnership at Covington, Tenn., and will handle a grain brokerage business. C. C. Hagner and James Owen are interested.

The elevator of the Navina Grain Company of Navina, Okla., has been purchased by the Farmers Co-operative Company. Later on the company will remodel the elevator.

The Southern Grain & Feed Company has been organized at Huntsville, Ala., by A. C. Demasters and Clarence Leslie. Mr. Demaster recently sold his Huntsville Grain business to J. Lowery Orgain.

The interest of Joe Daniel in the Joe Daniel Mill & Elevator Company of Little Rock, Ark., has been sold by him to D. J. Daniel, his brother. Mr. Daniel will retire from the grain business for the present.

The elevators of the Home Elevator Company at Bovina, Texas, and Erick, Okla., have been purchased by G. E. Harris. Mr. Harris has sold his elevator at Canute to the farmers organization there.

R. E. Nelson of Clinton, Okla., manager of the Nelson Grain Company and president of the Oklahoma Grain Dealers Association, motored with his family to California where they will spend the winter.

A grain elevator of 15,000 bushels' capacity has been erected at Seymour, Texas, by Y. P. Yarbrough of Abilene, Texas, who bought the plant and other assets of the Seymour Mill & Elevator Company. Mr. Yarbrough is expending \$20,000 in improvements on the mill. The capacity of the

mill has been increased from 50 to 200 barrels; the corn mill has also been enlarged. The plant was ready for operation, after several years of idleness, on October 1.

Articles of incorporation have been filed at Abilene, Texas, as the Texas Mill & Elevator Company, capitalized at \$75,000. The incorporators are: Mack L. Wyatt, George L. Poston and L. A. Grimes.

The elevator of Priddy & Co., of Fort Worth, Texas, has been taken over by L. C. Voelkel of the Voelkel-McLain Company of McKinney, Texas. The plant is better known as the Dazey-Moore Elevator.

The grain and hay business at Atlanta, Ga., operated by Joseph Gregg & Son for 18 years has been taken over by M. H. Haym. Mr. Gregg, Sr., died early this year and the junior member of the firm has made plans for locating in Los Angeles. Mr. Haym is well known in the grain trade having been associated with Browzder & Haym, brokers at Savannah and Jacksonville, up to 1912. Since 1912 he has been actively identified in the mixed feed business both with the Purina Mills and the National Milling Company of Macon, Ga.

INDIANA

The Farmers Union of Sullivan, Ind., has closed its doors.

The Steuben Grain Company, which recently organized at Pleasant Lake, Ind., has purchased the local elevator there.

W. R. Stout has purchased the warehouse, grain and hay business at Howell, Ind., which was formerly owned by A. Waller & Co., of Henderson, Ky.

The contract has been let by the Findlay Grain & Coal Company of Shelbyville, Ind., for a 10,000-bushel building. It will be used for handling corn.

F. C. Brown, O. Peterson, I. G. Mansfield, E. K. Larson and E. C. Bruckman have incorporated the Kankakee Valley Grain Company at Schneider, Ind. Its capital stock amounts to \$20,000.

The grain business which Ed Lee has been conducting at Crawfordsville, Ind., has been sold by him. Mr. Lee, who at one time also operated at Mellott, Ind., has moved to California.

A new elevator has been completed at Veedersburg, Ind., for the Farmers Elevator Company. It has a capacity of 25,000 bushels and cost \$22,000. The elevator is of fireproof construction.

B. A. Radabaugh, receiver for the Marion Co-operative Exchange of Marion, Ind., has sold the two co-operative grain elevators at Marion, Ind., to 13 of the farmers holding the first mortgage. The elevators sold for \$8,550.

An elevator at Deedsville, Ind., has been secured by John C. Ducey of Burnettsville. He has traded in his farm for the elevator which was formerly controlled by Chester C. Morgan. The trade represents an investment of \$20,000.

ILLINOIS

The warehouse of the Union Grain & Mill Company of Jonesboro, Ill., is being improved.

The Ridgefield Sheep Feeding Yards at Ridgefield, Ill., are erecting an elevator on their premises.

Wand, Todt & Co., are succeeded in business at Litchfield, Ill., by the Buscher-Carrico Grain Company.

The Farmers Grain Company operating at Seymour, Ill., has been reorganized. D. H. Thomas is manager.

The contract has been let by the Fletcher Grain Elevator of Cooksville, Ill., for the erection of a new elevator of concrete construction.

Farmers in the neighborhood of Columbia, Ill., have formed the Columbia Farmers Co-operative Grain Company. Its capital stock is \$40,000.

The elevator of G. F. Ollman at Malta, Ill., is being rebuilt. It will have a capacity of 30,000 bushels and will be equipped with electric power, two dumps and a lift.

The Port Byron Co-operative Company has purchased the elevator of the Port Byron Grain & Fuel Company at Port Byron, Ill. The new company is merely a reorganization of the old one.

The establishment of the Wheatly Grain Company located at Humboldt, Ill., is being remodeled. The contract for the improvements, which will cost in the neighborhood of \$5,000, has been let.

The Scholer Elevators at Fullerton (Farmer City p. o.), Ill., De Witt and Birbeck have been purchased by Harrison, Ward & Co. The Fullerton Elevator has a capacity of 30,000 bushels; the De Witt Elevator, 55,000 bushels; and the one at Birbeck, 45,000 bushels.

Elvis Weathers and Frank Jones have dissolved the partnership which has existed between them for years. Mr. Weather and Mr. Jones carried on a grain business at Ridgefarm, Vermilion Grove and Humrick under the name of the Frank Jones Grain Company and at Newman under the name of the

Elvis Weathers Grain Company. Hereafter the Ridgefarm, Vermilion Grove and Humrick businesses will be conducted by Mr. Jones under the old name; the business at Newman is under the control of Mr. Weathers.

To handle grain, and cereals and to manufacture food products, the Mt. Olive Milling Company has been incorporated at Mt. Olive, Ill. Its capital stock is \$45,000. The incorporators are C. Clavin, F. C. Hurt and John Gavrun.

The Farmers Co-operative Grain Company has been incorporated at Chandler, Ill. John Taylor is president; J. Armstrong, secretary of the firm. A site has been purchased and upon this a grain elevator will be erected at once.

The contract has been let by Kautz & Maus of Mt. Pulaski, Ill., to Ballinger & McAllister of Bloomington, Ill., for the construction of 20,000-bushel elevator, of cribbed construction, steel clad. The elevator will be operated by electricity and will be equipped with U. S. Sheller, Barnard & Leas Rolling Screen Separator, two legs, a Howe Hopper Scale, and also a Fairbanks 10-ton Truck Scale.

Ballinger & McAllister are to build at New Canton, Ill., for the M. D. King Milling Company of Pittsfield, Ill., a 15,000-bushel elevator equipped with Barnard & Leas Sheller and Cornwall Cleaner, Fairbanks Morse 20-horsepower Engine, automatic scale, Fairbanks 6-ton Dump Scale; also an office, warehouse and reinforced concrete power house and a combination cob and dust house. These houses replace the ones destroyed by fire recently.

The Plano Farmers Co-operative Grain Company of Plano, Ill., has contracted with Ballinger & McAllister for a 26,000-bushel concrete elevator. The elevator will be equipped with a modern double ball bearing truck and wagon lift and one stand of elevators, a 2,000-bushel Fairbanks Automatic Scale, and Fairbanks Motors. The office will have a concrete vault and a 10-ton Fairbanks Truck Scale. The establishment will also have a grinder and a combination sheller and cleaner.

Elmer McClain of Metcalf, Ill., recently purchased seven elevators located at Melwood, Cherry Point, Garnes Crossing, Watson, Gordon, and Metcalf from the National Elevators Company. Shortly after he came into control of the plants he pooled his interests with those of the Farmers Elevator Company of Metcalf. They will operate as the Farmers Grain Company with headquarters at Metcalf. Mr. McClain and Otto J. Linebarger will be the managers of the nine elevators included in the transaction.

MISSOURI, KANSAS AND NEBRASKA

G. H. Hoopes' elevator at Lucas, Kan., has been enlarged and remodeled.

A new grain elevator is being built near Plymouth, Neb., by R. H. Meier.

L. Hanson of Sousa has purchased the Dolphin-Jones Elevator at Bloomfield, Neb.

The Odessa Milling Company is interested in the erection of a grain elevator at Odessa, Neb.

Feed, flour, etc., are to be handled by the Farmers Elevator Company of Barnett, Mo., as a side line.

The Deerfield, Kan., elevator of the C. C. Isley Lumber Company has been leased to the Equity Exchange.

The N. E. Gailey Elevator at Franklin, Neb., has been purchased by O. C. Thomas. Mr. Thomas took possession immediately.

The Farmers Elevator Company of Bigelow, Mo., has leased the elevator operated by S. S. Meadows and will place it in operation.

The Home Grain Company has purchased the elevator of the Bod-McConaughy Company at Eustis, Neb. J. N. Sill is manager.

R. A. Collier has purchased the Farmers Elevator at Kearney, Neb. Mr. Collier has been connected with the Elder Grain Company.

New equipment, including a modern automatic scale, is being installed in the elevator of the W. H. Morrison Grain Company of Cedar, Kan.

The Farmers Union Elevator at Rushville, Neb., has been purchased by J. O. Aplan & Son. They have remodeled it and installed electricity.

A conveyor is being installed from the elevator of the E. T. Rickel Grain Company at Colby, Kan., to the railroad track, a distance of 150 feet.

The elevator of the farmers company at Silver Lake, Kan., which burned not long ago, is being replaced by a modern 20,000-bushel corn shelling plant.

A. J. Gerber, John Sloan and J. E. Heintz have incorporated at Elkhart, Kan., as the Elkhart Mill & Grain Company. The firm is capitalized at \$40,000.

The 190 line elevators of the Nye-Schneider-Jenks Company of Fremont, Neb., have been put into operation. The new officers of the firm are Frank L. Carey of Minneapolis, president; Les-

lie N. Parrin, vice-president; C. L. Bostwick, secretary and Walter I. Dean, treasurer. Mr. Carey with J. H. Barnes of Duluth was active in the reorganization of the company.

New equipment is being added to the Farmers Elevator of Hordville, Neb., and considerable remodeling is being done. The contract for the work has been let.

The Norcross Elevator at Beatrice, Neb., has been purchased by Sam Douglas of Crete, Neb. The elevator has been operated for the past five years by J. C. Goering.

The Louisiana Elevator Company has been incorporated at Louisiana, Mo., capitalized at \$30,000. J. W. Rule is president, and J. L. Reading, secretary-treasurer of the firm.

The interest of Guy Aiker in the grain business at Wayne, Neb., which he and his brother have been conducting, has been sold by him to C. E. Needham of Long Beach, Calif.

The elevator of the Walker Grain Company at Cunningham, Kan., has been leased by the Clark Burg Grain Company of Wichita, Kan. They have retained Mr. Walker as manager.

The Wyaconda Grain Company has purchased the West Elevator at Wyaconda, Mo. They have also purchased a feed mill which has been moved to a location adjacent to the elevator.

R. A. Collier of the Fred W. Elder Grain Company of Hastings, Neb., purchased at a public sale the elevator of the Farmers Elevator Company at Kearney, Neb. He will operate the elevator himself.

The capital stock of the Farmers Mill, Elevator & Mercantile Company of De Soto, Mo., has been increased from \$20,000 to \$30,000. The number of directors of the company has been increased from seven to nine.

A grain elevator of 50,000 bushels' capacity is included in the new establishment being built for the Davidson Mill & Elevator Company of Kansas City at Rosedale, Kan. The mill and elevator were burned several months ago.

The Wabash Elevator at Kansas City, Mo., has been leased by the Barnes-Piazek Company, Inc. The elevator has a capacity of 400,000 bushels; the headhouse has capacity of 100,000 bushels. D. F. Piazek is actively in charge of the concern of which Julius H. Barnes is president.

WESTERN

A new elevator is being erected at Cheyenne, Wyo., for O. M. Kellogg of Denver.

Harry Cline is interested in the erection of a grain elevator at Carr, Colo., next year.

The Wheat Growers Association has purchased the H. M. Fike Elevator at Boise, Idaho. J. D. Rigney is in charge.

The elevator of the Farmers Elevator Company at Wibaux, Mont., has been opened up with Jos. P. Jentges, manager.

An office has been opened at Billings, Mont., for the Trask Grain Company of Aberdeen, S. D. R. W. Soule is manager.

D. H. Hart and J. W. Bartroff on September 30 purchased the property of the Chesaw Grain Company at Chesaw, Wash.

A new grain and potato warehouse at Greeley, Colo., has been completed for Mosher & Parker. Electric feed grinders will be installed.

R. J. Schwendiman is manager of the grain elevator at Deaver, Wyo., which opened for business there during the latter part of September.

The La Junta Milling Company of La Junta, Colo., is interested in the erection of a 30,000-bushel grain elevator. The elevator will be of concrete.

A new elevator and warehouse have been completed at Severance, Colo., by Mosher & Parker of Greeley, Colo. Electric feed grinders are to be installed.

A grain elevator of reinforced concrete construction and of 25,000 bushels' capacity is to be erected at Preston, Idaho, for the Inter-Ocean Elevator Company.

P. F. Brown Company of Lewiston, Mont., has leased the elevator at Suffolk, Mont., owned by the Equity Elevator Company. E. H. Hanson will manage it.

The Tri Grain & Produce Company has been organized at McFarland, Calif., by R. Wood and H. A. Brown. They are operating a grain warehouse at this place.

Extensive improvements are being made to the elevator building for the Montana Elevator Company of Moore, Mont. Additional equipment is being installed.

W. H. Weaver, Ralph B. Weaver, W. H. Staatz, S. W. Staatz and John W. Berry have filed articles of incorporation at Sumner, Wash., as the Sumner Grain & Milling Company. Its capital stock is \$20,000.

The Lexington Mill & Elevator Company is interested in the erection of three grain elevators,

one of which will be located at Ovid, Colo. The locations for the other two have not as yet been selected.

The house and equipment at Rapelje, Mont., which formerly belonged to the Farmers Elevator Company, have been purchased by the Rapelje Farmers Grain Company.

A. J. Schwab is now managing the Monarch Elevator Company at Fairfield, Mont. He was formerly located at Agawan. Mr. Schwab succeeds Donald Mills at Fairfield.

W. A. Wright of the Hamilton Flour Mill is erecting a grain elevator at Hamilton, Mont. The elevator will be modern in every particular and will have a capacity of 20,000 bushels.

The Darlow Grain & Supply Company has been incorporated at Darlow (Eastlake p. o.), Colo., by R. F. Armstrong, J. K. Akolt and K. F. Cross. The company is capitalized with stock amounting to \$17,000.

The elevator at Hyde (Otis p. o.), Colo., formerly owned by J. M. Waey has been sold by him to the Farmers Milling & Mercantile Co-operative Company of Yuma. W. H. Ward will continue to act as manager.

Grain and its products are to be handled by the Newmark-Krauss Company recently organized at

Los Angeles, Calif. Mr. Krauss, who heads the company, has been interested in the grain business for years.

Capitalized at \$50,000, the Lake Milling & Elevator Company, Inc., has been incorporated at Medicine Lake, Mont. The incorporators are: B. M. Nelson, Emmett Schmitz and M. G. Schmitz.

R. E. Miller is president; B. W. Dixon, vice-president and J. B. Dixon, secretary-treasurer of the R. E. Miller Grain Company. The company, which is capitalized at \$100,000, will operate at Salt Lake City, Utah.

The three elevators of the H. M. Fike Grain Company at Gooding, Jerome, and Richfield, Idaho, have been sold by it to the Idaho Wheat Growers Association. Chas. Groos will be district manager and A. S. Martyn, local manager.

A bulk grain unloader has been installed in the plant of the Stanwood Grain Company at Stanwood, Wash., and bins have been built to the plant increasing its capacity by three carloads. A feed mixer is also to be installed.

The contract has been let by the Yoder Grain & Coal Company of Yoder, Colo., for a new elevator. This is to be one of several elevators which the company will build on a new extension of the Union Pacific running from Julesburg to Denver.

FIRES-CASUALTIES

Oakland, Ill.—Fire damaged with a loss of \$40,000, the new grain elevator here.

Eleanor (Parkersburg p. o.), Iowa.—Fire destroyed elevator of B. L. O'Neill.

Stanley, N. Y.—Fire on September 7 destroyed the grain elevator owned by John Flannigan.

Alda, Neb.—The elevator here owned by G. E. Cannon was destroyed by fire, with a loss of \$12,000.

Coteau, N. D.—The elevator here owned by the St. Anthony & Dakota Elevator Company was burned.

Amiret, Minn.—Lightning struck and did slight damage to the Amiret Farmers Elevator Company's elevator.

Absecon, N. J.—With a loss of \$10,000 a section of the grain, flour and feed warehouse to W. B. Etris & Co., burned.

Rohrville (Southam p. o.), N. D.—Lightning struck the elevator of Alois Walter on August 25. The damage was slight.

Monticello, Ill.—Fire of unknown cause set fire to the elevator owned by W. R. Finson on August 10. The damage was small.

Kirkland, Ill.—A loss of \$75,000 was suffered when the McQueen Stockyard's hay and grain sheds were destroyed by fire.

Bryan, Ohio.—Fire damaged on October 6 the elevator of the Raymond P. Lipc Company. The loss amounted to about \$2,000.

Winneconne, Wis.—The Schneider Bros. & Mader Grain Elevator and flour mill were destroyed by fire. The loss is covered by insurance.

Perdueville (Paston p. o.), Ill.—Fire, originating from some unknown cause, totally destroyed the elevator of J. B. Carson on September 24.

Kalkaska, Mich.—The feed establishment owned by Nick Long was damaged by fire recently. The loss is partly covered by insurance of \$3,000.

Norwich, N. D.—The Imperial Elevator Company's elevator here was destroyed by fire, of unknown origin, together with 3,000 bushels of grain.

Canaserra, N. Y.—Fire on September 8 damaged to a small degree the elevator of Rowe & Kennedy. The fire is believed to have been caused by sparks from a locomotive.

North Grove (Santa Fe p. o.), Ind.—Sparks from a chimney started a fire in the elevator of the North Grove Grain Company on September 14 causing a slight damage.

Caddo Mills, Texas.—The feed storage house of the Modern Gin Company containing about 70 tons of feed and a carload of feed on a nearby siding were burned recently.

McKinney, Texas.—The offices of the Brown Grain Company and of H. A. Brown were burned recently. The fire destroyed the entire building in which they were located.

Alida, Kan.—On October 1 fire destroyed the grain elevator here owned by Wm. Bauer of Junction City, Kan. About 1,000 bushels of wheat in the elevator were burned.

Howe, Texas.—The plant of the Howe Grain & Elevator Company was destroyed by fire recently. Virtually the entire plant was destroyed, including

elevator, principal warehouse and four other buildings, in some of which were stored 12,000 bushels corn and 4,000 bushels oats. The loss amounted to \$75,000.

Upper Sandusky, Ohio.—The grain elevators of Gregg & Sons were destroyed by fire with a loss of \$30,000. There were 15,000 bushels of grain in the elevator at the time.

Tuscola, Ill.—With a loss of \$42,000, the H. H. Wright Elevator here was damaged by fire on September 29. The origin of the fire is unknown. The loss is covered by insurance.

Shelbyville, Ky.—The plant of the Shelby County Feed & Grain Company, operated by Edinger & Co., burned. The loss on the stock amounted to \$2,000; that on machinery to \$1,000.

Shelton, Neb.—Fire on October 6 destroyed the elevator of the Denman Grain Company together with 1,500 bushels of corn and 1,000 bushels of wheat. The elevator was 20 years old.

Hartford City, Ind.—A slight damage was done to the feed mill located here owned by B. F. Benson. The building is owned by Robert Tudor of Marion. The loss is covered by insurance.

Indianapolis, Ind.—Fire with a loss of \$20,000, destroyed the elevator and feed storage building at Orchard Lake Farm owned by Governor Warren T. McCray. The loss was covered by insurance.

Sidney, Ohio.—The Sidney Farmers Exchange Company's elevator caught fire on September 17, but the blaze was extinguished before serious damage was done. The cause of the fire is unknown.

Cortland, Neb.—Spontaneous combustion in the coal bins is believed to have caused the fire in the elevator of the Cortland Farmers Grain & Coal Company which did serious damage to the plant.

Dwight, Ill.—The elevator of the Farmers Elevator Company was destroyed by fire on September 27. The elevator contained 10,000 bushels of grain at the time of the fire. The loss amounted to \$10,000.

Buffalo Springs, N. D.—Fire of unknown origin destroyed the Equity Elevator located at this point on September 26. All efforts to save the plant proved to be of no avail and the entire plant was destroyed.

Willow Lake, S. D.—Fire completely destroyed the large elevator and granary on the A. F. Batien Farm near here. The building contained about 2,000 bushels wheat and 1,000 bushels oats and some machinery.

Watertown (Sandusky p. o.), Mich.—Fire on September 24 destroyed the elevator here of R. A. Johnson. The losses amounted to: On plant, \$15,720.42; on stock, \$18,885.43. The insurance amounted to \$33,500. The fire was caused by railroad hazard.

Condon, Ore.—Faulty construction is believed to have been the cause of the collapse of the elevator at this place on September 19. The elevator was filled with 90,000 bushels of wheat at the time; about 75 per cent of this can be saved, it is believed.

Progress, near Muncie, Ind.—The elevator of the Woodbury-Elliott Company burned. The fire origi-

HAY, STRAW AND FEED

HAY AND STRAW PRICES FIRM

Under date of October 13, Albert Miller & Co., of Chicago, say: Fire destroyed 500 tons of hay stored here for use of stockyards and coming live stock show.

Active buying now on to replace. Local trade buying freely. Market very bullish with higher prices a possibility. Now is the time to consign everything. Don't sell and let the other fellow get the profit. Get it yourself by consigning to "Miller." We'll make 'em pay, just watch us.

Straw: Get some enroute, needed badly. Good prices assured.

MARKET SITUATION OF JOHNSON GRASS

In certain sections of the Southern States Johnson grass hay is handled commercially to a considerable extent and is considered equal to Timothy. A survey of the market situation of Johnson grass hay just completed by the U. S. Bureau of Markets and Crop Estimates in the principal surplus producing states, including Alabama, Mississippi, Arkansas, Louisiana and Texas, indicates that the amount of this kind of hay to be marketed during the present year will be slightly less than last year.

THE VALUE OF MILO

Milo has long since passed the experimental stage as a farm crop in the Southwestern United States. The rapid increase in its acreage and value in the past 19 years is evidence of that fact. In 1890 approximately 25,000 acres were devoted to Milo in this country, with an aggregate value of \$200,000. By 1909 the crop area had increased to 307,000 acres, with a value of \$2,900,000, while in 1918 the crop was estimated at 1,205,000 acres, valued at \$21,300,000. Thus the acreage has increased to nearly 50 times that of 1899, while the value is more than 100 times as great. The increase in acreage in the 10 years from 1909 to 1918, inclusive, has been rapid and substantial. It amounts to a total of about 900,000 acres, with an added value of \$18,400,000.

Milo has not yet reached its economic limits in either acreage or production. These should increase still further as the value and the adaption of the crop are more generally understood. Many acres of land in the district where Milo is adapted which are now unused or devoted to other less profitable crops may be used to advantage by growing Milo.—*Farmers Bulletin No. 1147.*

SEASON'S HAY OUTLOOK

A national survey of the hay market situation has been made by the Bureau of Markets and Crop Estimates which shows that the movement in hay is below normal in practically every producing section of the country. Estimates show that only about 15 per cent of the marketable surplus of Timothy in the principal Timothy-producing states has been marketed. Wisconsin had the lightest movement, with only about 5 per cent of the surplus marketed; Ohio and Illinois, the heaviest, with 25 per cent marketed.

More alfalfa than Timothy has been marketed so far. About 30 per cent of the surplus in the principal Alfalfa producing states has been sent to markets, ranging from 5 per cent in Kansas and Idaho, to 65 per cent in California.

Only 15 per cent of the Prairie Hay has been marketed to date. The Dakotas had the lighter movement and the states of Missouri and Oklahoma, the heavier.

Dealers estimate that only about 86 per cent of the hay marketed in 1920 will go into the markets in 1921. The 1921 crop of tame hay is estimated at 79,808,000 tons as compared with 1920 crop of 91,193,000 tons.

A number of factors including high freight rates, financial conditions, unprofitable prices to producers, farm work and good pasturage are given as the contributing causes for the light initial movement of hay to market. From many of the Prairie hay sections reports indicate that freight and marketing costs are so high that no attempt is being made to market any but the highest grades of hay.

Timothy and Alfalfa prices are now about \$10 per ton lower than at the corresponding time last year; and Prairie prices are about \$6.50 per ton lower. The decline has been steady during the year and apparently was due to the general post-war decline in the prices of commodities. The decline has been especially depressing because of the lack of proportionate decline in marketing costs.

Although prices to producers are low, the delivered prices in consuming sections are still so high that they are given as the principal cause for light consumption. To effect a normal movement

of hay, it is the consensus that a reduction of 20 per cent to 25 per cent in present delivered prices will be necessary.

HAY CROP NOT BELOW AVERAGE

There was considerable fear in some of the hay markets that this year's crop of Timothy was below in the average, but a survey made of the Timothy producing sections does not indicate that the amount of damaged hay is much larger than usual.

Considerable off grade hay has been received, it is true, but there have been a number of causes contributing to the arrival of more than usual quantity of poor grade hay on the market. For one thing, some producers have marketed their hay from the windrow, and Timothy hay that is so marketed is seldom of so good a quality as that which is allowed to cure thoroughly in the mow or stack. The dry weather in some sections has also been favorable to marketing from the windrow. The desire to turn hay into cash has also caused the marketing of off-grade hay which is usually fed on the farm.

The marketing of old hay carried over from last year, in order to make room for the new crop, was another factor which increased the movement of poor hay. Much of this old hay is of inferior quality because of having stood a long time in the rick or being taken from the bottom of the mow where it had been damaged by ground moisture.

In the shipments of hay by large distributors to consuming sections the poorer hay is frequently sorted out and shipped to central markets to be sold on its merits. It is thought that much of the off-grade hay marketed at this time can be traced to this source.

Yet another cause of a large percentage of hay below the grade of No. 1 is said to be the stricter grading which it is claimed prevails in many markets during periods of poor demand when buyers are particular and will buy only the best hay.

Dealers, however, generally are of the opinion that later shipments will be of a higher grade as producers usually place the better hay in proper storage and hold it for marketing in fall and winter. It is thought, therefore, that shipments for the year will show that the entire crop has been about up to the average in quality.

THE KANSAS CITY HAY MARKET

BY E. S. BROWN

An improved tone has prevailed in the Kansas City hay market the past few weeks and prices of the more important grades have made moderate advances. Receipts have continued small and at times have been inadequate for requirements. Trade however, is still far under the proportion customary for this season of the year. The better grades of Alfalfa have advanced \$2 to \$3 a ton the past two or three weeks and the poorer class of offerings have been steady to about 50 cents higher. Prairie has advanced 50 cents to \$2.50, choice showing the full gain. Midland and lowland Prairie have been about unchanged, with only scattered offerings. Timothy has been steady to 50 cents higher and all the other grades have shown no quotable change, with the tone of the market firm.

Receipts at Kansas City in September totaled 1,057 cars, a moderate reduction from the preceding month, and barely one-fourth as much as was received a year ago. Compared with the 10-year September average, there was a decrease of more than 2,000 cars. Dealers expect no important change in the movement from the principal producing section or to the principal consuming sections until there has been widespread relief from high freight rates and other transportation handicaps.

The Kansas City Hay Dealers Association was recently advised that the Union Pacific Railroad has extended to April 30, 1922, its emergency freight rates on hay from Idaho and other points in the Northwest. It was originally announced that the rates would expire September 30. It is expected

that other emergency rates in the Middle West will be extended, which will be helpful, but dealers say that what is needed is a general and sharp cut in all rates.

The improved demand for Prairie has been due chiefly to increased supplies of cattle on the Kansas City market. The stock demand is the largest single outlet for hay of this grade, as it is the principal feed for animals while they are in the pens. Its buying alone is not sufficient to make a good market. Demand for Alfalfa is limited to dairies, a few retailers and local interests. As a rule, offerings of Choice Alfalfa were small, while the liberal supplies of lower grades were difficult to move.

NEW FEED BRANDS

"WILLOW BROOK FARM" poultry feed. G. F. Givan, Constantine, Ky. Filed February 15, 1921. Serial No. 143,595. Published August 23, 1921.

"DE LUXE" cracked corn for poultry feed, known as scratch feed. Chas. A. Krause Milling Company, Greenfield, Wis. Filed May 3, 1920. Serial No. 131,974. Published August 23, 1921.

"BESFEED" feed for horses, cattle, hogs, and poultry. Beaumont Cotton Oil Mill Company, Dallas, Texas. Filed July 21, 1917. Serial No. 105,163. Published August 30, 1921.

"GALBRAITH & CO." compressed hay. Galbraith & Co., Seattle, Wash. Filed May 9, 1921. Serial No. 147,418. Published and Registered September 6, 1921.

"OVO" prepared poultry feed. Chapin & Co., Hammond, Ind., and Chicago, Ill. Filed May 2, 1921. Serial No. 147,092. Published September 6, 1921.

"BAR-NUN" food for hogs or swine. Blatchford Calf Meal Company, Waukegan, Ill. Filed September 11, 1920. Serial No. 137,063. Published September 13, 1921.

"VICTOR" poultry feed. Security Mills & Feed Company, Knoxville, Tenn. Filed May 24, 1921. Serial No. 148,171. Published September 20, 1921.

"RED MARK" poultry food, animal feeding stuffs, cornmeal, Graham flour, whole wheat flour, health bran, wheat flakes, pastry flour, farina, rolled oats, steel cut oatmeal, cracked wheat, hominy, rye flour, rye meal and pancake flour. Globe Grain & Milling Company, Los Angeles, Calif. Serial No. 137,935. Published September 27, 1921.

NEW YORK HAY PRICES HIGHER

BY C. K. TRAFON

In a broad sense developments in the hay trade have been in the main decidedly unsatisfactory to farmers and country shippers. This was notably true at the beginning of the month when prices declined in a spectacular fashion as a result of appreciably heavier receipts, and particularly of common or inferior grades in small bales. In short, much more poor hay arrived than was wanted, and especially in the shape of small bales. For the moment the supply was so far in excess of requirements that congestion resulted at some terminals. It is, of course, needless to say that a good many if not all buyers took advantage of the unusual situation and kept away from the market as much as possible or refused to negotiate unless appreciably lower prices were named. Obviously this was also extremely disagreeable and perplexing for the receiver or commission merchant because track or storage charges were piling up. Under the peculiar and unfortunate circumstances it was not strange that there was a large quantity in "distress." In a word, it seemed imperative to sell the hay as soon as possible in order to prevent further losses. Consequently noteworthy quantities had to be sold at a sacrifice and in numerous cases hardly enough was realized to pay freight, storage, and brokerage charges.

This was, of course, particularly true of the low grades and as consequence there was little or nothing left for the farmer or country shipper. While for the moment this was a highly favorable opportunity for the distributor, and also local dealers and exporters, it was by no means a good outcome in a broad and general sense because it served to greatly unsettle and disturb the market. Naturally it created much friction and dissatisfaction, and particularly, of course, as far as the farmer or shipper was concerned. Needless to say, both elements were irritated and naturally there was almost immediately a rapid falling off in shipments from the interior occurred. Consequently receipts suddenly showed a conspicuous diminution. This was far from surprising to sagacious and unbiased observers who realize that almost invariably periods of radical price changes—either up or down

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| A | ALFALFA | A |
| L | We are the Largest Distributors | L |
| F | of ALFALFA in | F |
| A | GREATER NEW YORK | A |
| L | Shippers who have Alfalfa Hay to dispose of, if they will | L |
| F | communicate with us we will provide a satisfactory outlet. | F |
| A | ALFALFA | A |
| A | W. D. Power & Co., 12-15 N. Y. Hay Exchange | A |
| | NEW YORK | |

are unhealthy and a bad thing for the market generally because they frequently if not always react like a boomerang. In short, it upsets the market and in the long run benefits no one.

For example, prices have advanced lately about as rapidly as they had declined and are now actually higher than they were before the break started.

It must be admitted that there were a few jobbers and local dealers or consumers who were shrewd enough to seize the unusual opportunity to replenish their stocks, but this was a comparatively small matter. In addition the big decline made it possible to purchase a larger quantity for export and it was said that one lot of 5,000 bales had been taken for West Indies, with a few smaller lots for other foreign countries. It was the consensus that this export buying was to a great extent responsible for the sudden change in the temper of the market; in short, from depression to buoyancy. Evidently it was the impulse needed to start local distributors buying. It also served to make holders here and elsewhere far stronger in their views.

A decidedly interesting and important feature this month was the heavier arrivals of Alfalfa hay from the Pacific Coast via the Panama Canal. Over 1,000 tons came in lately with No. 1 or choice selling as low as \$26 but afterwards sales were made at \$30.

HUNGARIAN VETCH A SUCCESS IN WESTERN OREGON

Experimental work of the United States Department of Agriculture, in co-operation with the Oregon Experiment Station, has demonstrated the possibilities of Hungarian Vetch for the humid area of the Pacific Northwest. This Vetch is particularly valuable on account of its ability to grow on wet, clayey lands where other crops make a much smaller growth. It has succeeded on the wet white lands of the Willamette Valley that are considered very poor soils for cropping purposes. It is perfectly winter hardy in this region, much more so than Common Vetch, though less winter hardy than hairy Vetch. Another striking feature of this Vetch is its good seed habits and heavy seed yields. Most Vetches have rather poor seed habits, but Hungarian Vetch is an exception.

It also possesses the good quality of being much less attacked by aphids than Common Vetch. In the season of 1917-18 aphids did serious damage to Vetch at Corvallis and Common Vetch yielded practically no seed. However, in that season Hungarian Vetch yielded 35.3 bushels of seed per acre. In experimental plantings at Corvallis, Ore., this Vetch has yielded 33.7 bushels of seed per acre as an average for four years, while Common Vetch for the same years yielded 28.3 bushels per acre. Judging by the way bees visit Hungarian Vetch while in blossom, it affords excellent bee pasturage.

This Vetch can be grown anywhere in the Pacific Coast States west of the Cascade Mountains in Oregon and Washington and the Sierra Nevada Mountains in California. However, its special place is for wet lands where Common Vetch does not do well. It has not proven of value for any other parts of the United States, though it has done fairly well in tests at a few stations in the Southern States.

ASK FOR LOWER FREIGHT RATES

At a meeting in New York City of hay representatives, shippers and receivers from Pennsylvania, New Jersey and New York and Trunk Line officials, on October 4, a request was made by the hay men that the freight rate on hay be reduced.

Seventy-five to eighty per cent of first cost in marketing hay in the eastern traffic zone, goes for freight charges, was stated by D. S. Wright at the hearing.

D. J. Sims, traffic manager of the National Hay Association, told the traffic officials that the prevailing rates were demoralizing the hay trade, all over the country, and especially in the eastern territory. Secretary Taylor gave some figures showing that western shipments were impossible, as the rates in many cases nearly equalled the total value of the hay. Warren H. Dean spoke on the prohibitory rate on state Alfalfa shipments, which had been practically forced off the market, by the all water California shipments via Panama Canal, which are being delivered to consumers door for less money than state shipments could be brought to New York City railroad terminals.

Fred M. Williams cited figures showing a loss of one-third of the business in 1920, also bringing out the fact, that due to high transportation charges, the average selling price for the past two years was from \$6 to \$8 higher. John E. Murray gave figures on oat straw which proved that commodity has been entirely pushed off the market. Mr. Murray stated there was a falling off of at least 30 per cent in consumption in this Metropolitan district, due to motor truck haulage. E. B. Holland of Philadelphia spoke on the conditions effecting that market, showing how the railroad shipments had declined to one-eighth of the for-

mer traffic business, and had acted to encourage motor truck deliveries from a 30-mile radius into the city, and also had developed a direct from farm to consumer shipment business, in competition with the local commission man, and a consequent loss in railroad traffic. Mr. Sims, in his closing remarks, assured the railroad officials that the committee had no intent to make any demands for lower rates, but simply desired to have the facts stated before the railroad men who were interested from both shipper and receiver standpoints.

R. N. Collier, chairman of the Trunk Line Board, said the remarks made would be presented to the committee for discussion and action at an early meeting.

FEED TRADEMARKS REGISTERED.

145,677. Stock and poultry food. Goodenuf Milling & Feed Company, Minneapolis, Minn. Filed January 12, 1921. Serial No. 142,142. Published April 26, 1921. Registered August 16, 1921.

145,733. Hen feed and horse and mule feed. Luehrmann Hay & Grain Company, St. Louis, Mo. Filed February 23, 1921. Serial No. 143,933. Published May 3, 1921. Registered August 16, 1921.

145,983. Cow feed. Julius E. Mugge, San Antonio, Texas. Filed January 30, 1920. Serial No. 127,766. Published May 10, 1921. Registered August 23, 1921.

146,075. Chicken feed, dairy feed, laying mash, growing mash, horse feed and hog feed. W. M. Cosby Flour & Grain Company, Birmingham, Ala. Filed November 19, 1920. Serial No. 139,847. Published May 17, 1921. Registered August 30, 1921.

146,101. Stock and poultry food. Goodenuf Milling & Feed Company, Minneapolis, Minn. Filed January 12, 1921. Serial No. 142,141. Published May 10, 1921. Registered August 30, 1921.

147,002. Poultry feed. Josey Miller Company, Beaumont, Texas. Filed December 1, 1920. Serial No. 140,496. Published June 21, 1921. Registered September 27, 1921.

146,314. Poultry and dairy feed. Northrup, King & Co., Minneapolis, Minn. Filed January 11, 1921. Serial No. 142,091. Published May 31, 1921. Registered September 6, 1921.

146,351. Stock and poultry food. John Joseph Schreiber, Minneapolis, Minn. Filed January 12, 1921. Serial No. 142,143. Published April 26, 1921. Registered September 6, 1921.

146,327. Certain named food for poultry, chickens, horses, and mules. Pease & Dwyer Company, Memphis, Tenn. Filed January 20, 1921. Serial No. 142,526. Published May 24, 1921. Registered September 6, 1921.

A feed mill has been opened at New Lisbon, Wis., by George Hansen.

Fred Budd is succeeded in the feed jobbing business at Rochester, N. Y., by Ely & Budd.

W. S. Sturgeon is succeeded in the feed and flour trade at Lisbon, N. Y., by Sturgeon & Mayne.

The hay firm of Pierce & Scheller, of Los Angeles, Calif., has been dissolved as a partnership.

The Lagenback Feed Store at Osceola, Wis., has been purchased by James Cook and D. S. Sigmund.

Lyall Adams succeeds Enos Briggs as manager of the Equity feed and flour store at Soldiers Grove, Wis.

The feed mill at Waukon, Wash., has been purchased from the Cederblom Bros. by D. H. Schedin of Tonasket.

The feed and flour business of D. B. Abrams & Co., at Gloversville, N. Y., has been taken over by Smith & Dailey.

C. Carroll of Flippin, Ark., has erected a concrete building and will handle a large stock of feed and flour.

E. T. Lahr has purchased the feed and flour business at Juda, Wis., formerly conducted by the Newman Bros.

A feed mill is to be opened at Augusta, Ga., by J. M. Haynie and associates. It will have a capacity of four cars per day.

A feed mill has been opened at Neosho Falls, Kan., by the F. M. Denny & Sons Company. A flour mill will be opened later.

A feed mixing plant has been installed by J. B. Light & Sons, wholesale and retail dealers in feed, flour and grain at Avon, N. Y.

J. W. Hare and H. L. Gross have formed a partnership at Austin, Minn., and will handle a feed and seed business there as Hare & Gross.

A feed and flour store has been opened at Pineville, Mo., for the Pineville Roller Mills Company. The company will cater to the retail trade.

A feed mill is being installed by the Albans Grain Company in the building which it recently bought and which is located at Brattleboro, Vt. It will consist of a scratch feed plant, dairy feed plant and stock feed plant, each of 400 tons capacity, based on 10-hour run. The plant will have capacity of 60,000 bushels grain, warehouse capacity 300 cars. The A. E. Baxter Engineering Company had the contract for the plans and entire work. Auto-

matic packers and loaders, and, a modern unloading system have been installed.

A new mill in which stock feeds and flour will be manufactured is to be erected at Wray, Colo., for the Farmers Homestake Milling Company.

The Atlantic Hay & Grain Corporation of Manhattan, N. Y., has been incorporated. F. Spielman, B. Spielman and J. Spielman are the incorporators.

The offices of the International Sugar Feed Company have been moved from the Metropolitan Bank Building to the Corn Exchange at Minneapolis, Minn.

The Royal Feed & Milling Company has been incorporated at Nashville, Tenn. The company holds a Delaware Charter. The capital stock of the company is \$400,000.

A feed and flour brokerage office has been opened at Louisville, Ky., by J. W. Davis. He was for 10 years or more salesman for the Louisville Milling Company of Louisville, Ky.

The feed and coal business conducted at Blue Mound, Kan., by Stephen Balyeat has been sold by him to A. J. Allison. He is rearranging the place and will carry a full line of mixed feeds.

A branch store has been opened at Machias, Wash., by Bruhn & Henry. They will handle a full line of hay, grain, flour and feed, and have leased for that purpose the Barrow Warehouse.

Statistics compiled the middle of August showed the tonnage of both tame and wild hay to be 96,951,000 tons as compared with 108,233,000 tons last year and 103,397,000 tons, a five-year average.

Picard & Strauss have been incorporated at Chicago, together with the Bertley Company. The Picard & Strauss company will engage in a brokerage business; the Bertley firm in a jobbing business.

Capitalized at \$20,000, The Thomas-Phalon Company has been incorporated at La Crosse, Wis. The company will deal in feed, flour, produce, etc. The incorporators are J. Phalon, C. A. Thomas and H. Thomas.

A complete feed mill 30x40 feet is to be erected on an old mill site at Watertown, Minn., by the Farmers Co-operative Elevator Association. A complete line of Monarch feed mill machinery is to be installed.

A wholesale and retail establishment for handling feeds and groceries has been opened at Greenville, S. C., by S. A. Massey and E. Nickolson. They have leased an office and storage room for their business enterprise.

To manufacture and deal in feed and other grain products, the Basic Feed Company has been incorporated at Lockport, Ill., capitalized at \$52,500. Walter Stone, Carl Mushlenpfordt and Murray Ladd are the incorporators.

A new feed store has been opened at San Bernardino, Calif., by the Independent Feed & Fuel Company. The building cost \$10,000 and is equipped with Fairbanks Scales. It will carry a full line of feeds, seeds, fuel and poultry supplies.

Business operations have been started in the Ambler Feed & Fuel Store at Lamanda Park, Calif. The building has been remodeled and overhauled and is under the management of W. A. Connelly. They will handle complete line of wood, coal and feeds.

Matthew A. Donner, who was mentioned in the last month's issue of the AMERICAN GRAIN TRADE as having started a feed business at Watertown, N. Y., writes that he conducts a strictly brokerage business in grain and feed and does not operate a feed store there.

A. G. Roberts is president; Edward Rice, vice-president, and S. Hutchinson, secretary and treasurer of the Memphis Cotton Seed Products Company of Memphis, Tenn. The company has purchased a mill site and will erect buildings. The plant will be equipped with machinery for mixing cotton seed, produce cotton seed meal and hulls for feed.

A feed mill has been opened at Anaconda, Mont., for James O'Leary. The warehouse at Anaconda which had been used for storing beer was bought by Mr. O'Leary shortly after prohibition went into effect and was remodeled by him. An elevator tower was erected and new storage bins and conveyors installed. The plant has a capacity of 1,800 bushels of ground feed per hour.

Reorganization of the Brown-Oglesby Cash Feed Stores, with headquarters at Little Rock, Ark., is reported. W. T. Oglesby has retired and will take charge of a grain elevator he bought at Fort Smith. His stock was bought by J. F. Weinman, general manager of the Weinman Milling Company of Little Rock. C. C. Davis succeeded Mr. Oglesby as secretary. The company operates five stores and a warehouse in Little Rock and stores in North Little Rock, England and Benton. Its two stores at Pine Bluff are reported to have been sold to C. L. Shell and Walter and Ernest Ross of Pine Bluff.

COAL

RECONSIGNED COAL RATE NOT UNREASONABLE

Rates applicable on lump coal from West Clinton, Ind., to Ottumwa, Ia., and reconsigned to various destinations in Iowa and Nebraska during 1919, were not un reasonable or otherwise unlawful, Examiner Andrew C. Wilkins holds in a tentative report recommending dismissal of the complaint in No. 12,486, National Supply Company vs. C. B. & Q., Director-General, as agent, et al. The complainant alleged that the rates were unreasonable and unjustly discriminatory to the extent that they exceeded charges which would have accrued on the basis of combination rates via Peoria, Ill.

COAL TRANSPORTATION PROBLEM

A tie-up of transportation facilities will be inevitable unless the public buys soft coal now, according to a statement issued by Harry N. Taylor, a director of the National Coal Association. He said the railroads should be moving the winter supply to the market now.

"The non-buying public is creating a condition for which it will blame the coal men when it wants coal later," said he. "If orders were to be placed now in a regular manner, the operators could produce and railroads haul the coal for the winter supply. But if the buying public persists in withholding its orders it will be impossible to produce or transport in a few months the coal which should have been distributed over the 12 months of the year."

FOR REGULATION OF THE COAL BUSINESS

Two measures have been proposed in Congress by Senator Kenyon, Republican, from the State of Iowa, for the regulation of the coal business and for the punishment of coal profiteers—measures which are much more drastic than those proposed by Senator Frelinghuysen and defeated some months ago.

The first of the Kenyon bills would have a statutory declaration that the ownership, production and distribution of coal were charged with a public interest and use, and it would direct the Federal Trade Commission to investigate and report with respect to all phases of the trade including costs and profits.

The Federal Trade Commission would have power to investigate the "organization, business, conduct, practices and management," of all persons and corporations including holding companies. It would be empowered to investigate the ownership of coal lands and alleged combinations and monopolies.

Senator Kenyon would place in the hands of the President of the United States authority to control the production and distribution of coal in any emergency and during any strike threatening the fuel supply of the nation. A brokerage tax would be imposed by the legislation.

The second bill would impose severe penalties on any person or corporation found guilty of profiteering in coal, and the term "profiteering" would be defined as "excessive and unreasonable prices."

Section three of the second bill gives a schedule of reasonable prices. Prices in excess of these rates the bill states "shall be *prima facie* evidence of profiteering."

REDUCED RATES ON COAL

The St. Louis-San Francisco and the Kansas City Southern have caused some agitation by proposing to reduce the rates on coal from Kansas mines to Kansas City. They have evoked a protest from the Chicago & Alton. The latter has not been satisfied with the filing of a protest. It has filed a supplement reducing rates from the Springfield, Ill., district by the same amounts that were proposed by the Frisco and Kansas City Southern. Its request is for the suspension of the tariffs reducing the rates from the Kansas fields, including its own tariff, from the Springfield, Ill., field, or, if the Commission thinks it should not suspend the Frisco and Kansas City Southern tariffs, then that its own be allowed to become operative on October 25, the date carried in the tariffs of the railroads serving the Kansas field.

At present the Chicago & Alton rate on slack, from Springfield to Kansas City, is \$2.295. The rate on slack, which is the important commodity, from Pittsburgh to Kansas City, is 81 cents lower. The proposal of the Frisco and the Kansas City Southern is to reduce the rate on slack to \$1.20 per ton. The Chicago & Alton's proposal is to reduce the rate from Springfield to \$2.01, thus preserving the relationship.

In 1916 the Chicago & Alton was the disturbing element in that situation. It then reduced the rate on

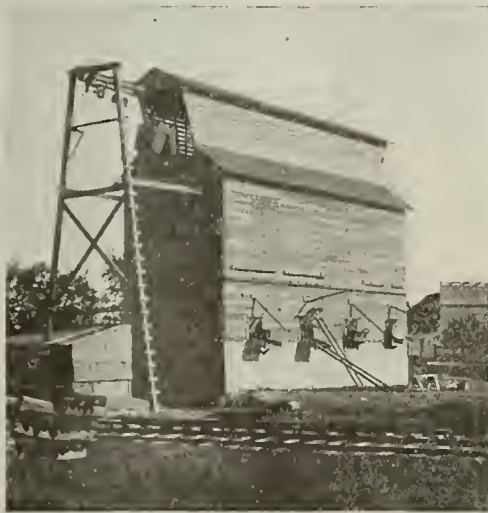
fine or slack coal to \$1.25 a ton. That was a big reduction. The governors and senators of Kansas and Missouri, and all the railroads interested in carrying coal from Kansas to Kansas City protested against the move of the Alton, but the Commission refused to suspend the reduction. Now the Alton is protesting against the lowering of the rates put into effect a little more than a year ago under the Commission's decision in Ex Parte No. 74.

The Southwestern Interstate Coal Producers' Association of Kansas City has joined the protestants against the reduction in rates from the Springfield, Ill., district to Kansas City proposed by the Alton in its I. C. C. A-1484, canceling its I. C. C. A-1287, effective October 25.

The Alton, while filing a schedule reducing the rate from the Springfield district, hopes the Commission will suspend it, because it filed only as a defense against the action of the Frisco and Kansas City Southern in proposing to reduce rates from the Kansas fields to Kansas City. The Alton tariff proposed to make a new rate from the Springfield district that would preserve the existing relationship which grew out of reductions made by the Alton five years ago.

HAWKEYE COMPANY BELIEVES IN PROGRESS

The Farmers Co-operative Company of Bridge-water, Iowa, under the able management of Z. Steele has made an enviable record during its first full year of business. The company was organized last year with D. T. Sullivan, president;



NEW COAL POCKET AT BRIDGEWATER, IOWA

E. H. Sullivan, vice-president; Ed. Sulgrove, treasurer, and J. H. Hinck, secretary. Perhaps it is sufficient to merely state that the company showed a profit of \$2,500 last year, handling 160,000 bushels of grain. This, in spite of the fact that the elevator which they took over is old and decrepit, and that the year was not a pleasant one for the average shipper. But Mr. Steele knows his business having been in the elevator business for over 20 years, handling grain in South Dakota and Minnesota before coming to the Iowa company. Incidentally we might mention that the company is contemplating building a new and modern house next year. But that is another story. This one concerns the new coal pocket which the company has just installed.

As a side line to the grain business coal promised the best results. But Mr. Steele is a believer in doing things right, so he designed and built coal bins with a capacity of 200 tons, equally divided between four bins. The coal pocket is of wood construction with concrete walls and floor. It is built on a bank above the Burlington tracks. After the bins were built the bank was excavated on the side where the coal is drawn out to give fall enough to load the wagons by gravity. This ingenious device saved the cost of underpinning in building, and saves enormous coal handling costs. After the walls were built for the pocket, the space between was filled with dirt, well tamped down and a concrete floor laid on top.

The coal pit under the tracks is about 14 feet deep. From the pit the coal is hoisted by buckets to a track on top of the pocket and is then conveyed to the proper bin. When the bucket containing coal is lowered it strikes the coal pile or bin bottom which unlocks the automatic device in the bucket and the coal empties out as the bucket is raised. As the device works promptly the coal does not drop far and is not broken up.

The machinery for the pocket was installed by

the Godfrey Conveyor Corporation and is their regular installation of the gravity-filled bottom dump bucket over monorail. A Fairbanks Platform Scale takes the wagon weights when they are loaded. At present the conveying machinery is operated by a gasoline engine, but electrical equipment will soon be installed to furnish the power.

Although the company has only been organized for a year it seems to have established itself on a solid foundation of practical progress which can lead to but one end—success.

COAL FREIGHT RATES TO CHICAGO

Dismissal of the complaint in No. 12276, W. L. Carney vs. Director-General, as agent, is recommended by Examiner John T. Money on a finding that rates on bituminous coal from various producing points in Indiana and Illinois to Chicago during Federal control were not illegal, unreasonable, or otherwise unlawful. One of the allegations of the complainant was that the increases made on June 25, 1918, were in excess of those authorized under G. O. No. 28, and that the rates thus established were unreasonable to the extent that they exceeded subsequently established rates. The examiner says that the fact that the terms of G. O. No. 28 may not have been strictly observed does not prove that the rates were unreasonable. The defendants contended that reductions in the rates made effective October 5, 1918, represented nothing more than a concession to the coal interests in Indiana and Illinois and by no means should be regarded as an admission that the former rates were on an improper or unreasonable basis.

COAL PRODUCTION REPORT

"Continued improvement marked the production of bituminous coal in the week ended September 24, and the resulting increase carried the output to the highest mark attained since the last week in January," said the *Geological Survey* in a recent report on coal production.

"The total output for the week (including lignite, coal coked at the mines, and mine fuel) is estimated at 8,506,000 net tons. This was an increase over the week preceding of 313,000 net tons, or 3.8 per cent.

"The all-rail movement to New England continued to recover in the week ended September 24. Reports to the American Railway Association show that 2,412 cars of anthracite and 2,602 cars of soft coal were forwarded over the Hudson. When compared with the week before, increases of 225 and 364 cars, respectively, are shown.

"The movement of soft coal up the lakes showed a decided improvement during the week ended September 25. According to reports from the Ore and Coal Exchange, a total of 610,837 net tons was dumped over the piers at Lake Erie ports. When compared with the dumpings in the preceding week, this was an increase of 134,447 tons. Of the total dumped, 585,390 tons were cargo coal and 25,447 tons were vessel fuel. Shipments in the corresponding week in 1920 totaled 905,769 tons.

"The cumulative lake movement now stands at 18,280,507 net tons. In comparison with the corresponding periods in recent years, the present season is nearly three and a half million tons ahead of 1920, 173,806 tons ahead of 1919, but over three million tons behind 1918.

"Exports of soft coal from Hampton Roads continued to decline in the week ended September 24. As reported by the three coal exchanges at that port, the total quantity dumped was 55,033 net tons, of which 27,860 tons were cargo coal and 27,173 tons were for foreign bunkers. The great decline in foreign demand is seen in the fact that from this port, which ordinarily handles 75 per cent of the overseas exports, shipments were less than one-tenth of the weekly average in June."

COAL PROSPECTS IMPROVING

In its review for the week ending October 8, the *Black Diamond* said:

The slight improvement in coal production which has been noted during the past three weeks seems to indicate that the turn upward has at last come and that from now on bituminous output will continue to climb slowly. The touch of cooler weather encountered in most of the markets during the past week resulted in a better sentiment in the trade as the result of a somewhat better call for domestic sizes. Prices, however, both on domestic and industrial coal, remain at previously established low levels.

Another factor which brought heart to the eastern coal industry was an increase in the number of inquiries from foreign buyers. This, taken with the situation in which British producers find themselves as the result of the expiration of the subsidy period, leads the industry to believe that America will again shortly be a factor in the export coal trade of the world.

Although in spots slight improvements were to be noted in the local industrial situation, there has been no real improvement in the call for steam coal. Neither has the demand for immediate consumption increased nor is there any great call for steam sizes

Indiana Coals for DOMESTIC Use
STEAM and GAS PRODUCING
Purposes

Phoenix Coal Company
Our new friends in time become our old friends

1206 Fisher Building
CHICAGO

Fourth Vein
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Sixth Vein
Block
Warrick County

Fort Dearborn Coal Co.

CHICAGO

Quality Coals and Quality Service

The Better Grades from Eastern
and Western Fields

Omaha

Kansas City

Indianapolis

Cincinnati

YOUR **DOMESTIC** TRADE

WILL APPRECIATE

**SOUTHERN GEM
COAL**

IT REACHES THE
HIGHEST EXPECTATIONS

Harris-Dillavou-Diamond Co.

715 Old Colony Bldg., Chicago, Ill.

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514 Wainwright Bldg.
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Our superior Kentucky Block known as "Blue Banner" brings repeat orders. You can always count on it. Our special service in Blue Banner will interest you.

"Pine Ridge" Smokeless
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Plymouth Anthracite
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MITCHELL & DILLON COAL CO.

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The Matthew Addy Co.

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Smokeless, By-product, Domestic, Steam Smithing



COKE

Foundry, Furnace, Domestic—from all fields

BRANCH OFFICES

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Quality—Service—Finance—100 Per Cent

**IF IT'S COAL YOU WANT
WE CAN GET IT FOR YOU**

WE SHIP FROM THE BEST FIELDS—

Pocahontas, New River, Anthracite, Eastern Kentucky, Southern Illinois and Indiana. Also by-product coke. All carefully sized and cleaned—for furnaces, stoves or grates.

WE ALSO HANDLE STEAM SIZES

C.M. MODERWELL & COMPANY

INCORPORATED

Branch Office:
McKnight Bldg., Minneapolis



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**BUY YOUR
COAL
NOW**

We urge you to place your orders for Coal immediately so as to be insured of prompt delivery and at prevailing prices.

Even at this writing Coal has already advanced in price and surplus coal cars are decreasing in number.

On this page are to be found several reputable coal concerns who are in position to serve you.

DO NOT DELAY—BUY YOUR COAL NOW

for storage. So far, industry as a whole has paid little heed to suggestions coming from outside of the coal trade that now is the time to buy for future needs.

In eastern markets anthracite saw some improvement in demand as a result of weather changes. Coastwise business was somewhat better, although prices remain practically stable. The bituminous trade of New York saw little change, as was the case in Philadelphia and Pittsburgh. While some eastern industrial plants are showing a slight improvement in production, demand for coal still continues light with the result that prices in these markets remain at low ebb and tonnages moved are comparatively small.

West Virginia production ranged from 35 per cent in some fields to around 50 in those favored with a better quantity of contracts. Smokeless, being without much call at tidewater, was being diverted to western markets. Steam sizes were sluggish both as to price changes and as to sales.

With some improvement in the activity of the steel interests in and near Cleveland, that market saw a somewhat better call for industrial coal and call from retailers is reported to be on an up-climb. On the other hand, Cincinnati was extremely dull, with prices being shaded somewhat and coal movement small in the extreme. Ohio production was running around 20 per cent, which although small, is somewhat better than what has been obtained for the past few weeks. In Indiana conditions remain practically static with but slight improvement in the call for domestic sizes. Steam coal was being moved at sacrifices and production was not better than 35 per cent.

Weather changes in Chicago and vicinity awakened a somewhat better demand for domestic coal, toning up the market on these sizes and resulting in a slight improvement in the output in southern Illinois. Steam demand in this market remains inactive and storage by industrials has not yet begun in volume.

Movement from the upper lake docks into the interior is commencing in earnest as fall approaches. As the result of the large lake tonnage which was moved during the summer, the docks find themselves well-stocked on both bituminous and anthracite, the tonnage being received being considerably above that on hand at this season of the year a year ago.

Authorities within the industry and without are of the opinion that the price bottom has been reached and that the time has come when production of bituminous coal will increase gradually

as winter descends, regardless of any change or lack of change in the industrial situation. Reports from investigations indicate that in spite of the low consumption by industrial plants, the quantity of coal on hand at the majority of manufacturing plants is small and that to protect themselves against a possible revival, buying will have to commence shortly.

DETERMINING THE QUALITY OF COAL

In an interesting article on the selection of the various kinds of coal, Dr. Henry W. Payne, a prominent engineer of New York City, says:

"If there were no variable factors in the determination of coal quality by analysis, the selection of a suitable fuel would be a simple matter.

"Anthracites are roughly divided into two classes, domestic and steam sizes. Bituminous coals are commonly spoken of as high volatile or gas coal, and low volatile or smokeless coal.

"Certain combinations of these are effected by mixing the fines of both anthracite and bituminous coal in varying proportions. These are used on special grades for steam purposes, and when properly mixed by mechanical means, make a cheap and admirable fuel.

"In each of these general classifications, however, are to be found the extremes of ash, sulphur, moisture, etc., and in addition, the question of preparation is vital, since carelessness in posting a scaly roof rock in the mine, or superficial inspection of pit wagons before dumping, may double the ash content, in the delivered product.

"The sampling of coal for analysis is best done at the loading tipple by a mechanical sampler, since the consumer is interested after all in what is being actually loaded into the car and not in the theoretical quality of the coal as manually sampled by channeling at the working place.

"The mechanical sampler takes regular portions at frequent intervals, which may again be sampled down to reduce the volume, if desired. These samples should then be analyzed by a reputable chemist and tabulated.

"Hand sampling, unless done in much greater frequency, cannot compare with mechanical sampling for relative accuracy, since the human element is too variable, and as is well known, two eminently reputable engineers may hand sample the same coal and differ widely in their results.

"Moisture is driven off at the expense of heat; oxygen is unnecessary since it already exists to the extent of approximately 20 per cent in the air itself."

A. W. Coulson & Son have purchased the coal and feed business located at Utica, N. Y., which was formerly conducted by A. D. Morgan.

Capitalized at \$100,000, the Conway Coal & Coke Company has been incorporated at Chicago. William A. Conway, C. M. Conway and John T. Kane are the incorporators.

To handle coal and grain the Farmers Grain & Coal Company was incorporated at Waverly, S. D., capitalized at \$15,000. The incorporators are Louis Maresk, Frank Meyer and Frank Ashcraft.

The name of the Cissna Park Grain & Coal Company operating at Cissna Park, Ill., has been changed to that of the Cissna Park Co-operative Grain & Coal Company and the business of the firm will be operated hereafter on a co-operative basis.

The capital stock of the Harlan Coal Company operating at Warren, Pa., has been increased from \$400,000, to \$800,000 and the name of the firm changed to the Black Star Coal Company. Its main office has been moved to Louisville, Ky.

A new coal elevator, of concrete construction and of 1,000 tons' capacity has been completed at Washington, Iowa, for the H. A. Baxter Elevator Company. It is one of the most modern coal elevators in that section and is equipped with machinery which entirely eliminates the shoveling of coal. The elevator takes the coal from the bin into which it is dumped from the railroad cars and elevates it into bins from which it slides by gravity into the consumers' trucks and wagons.

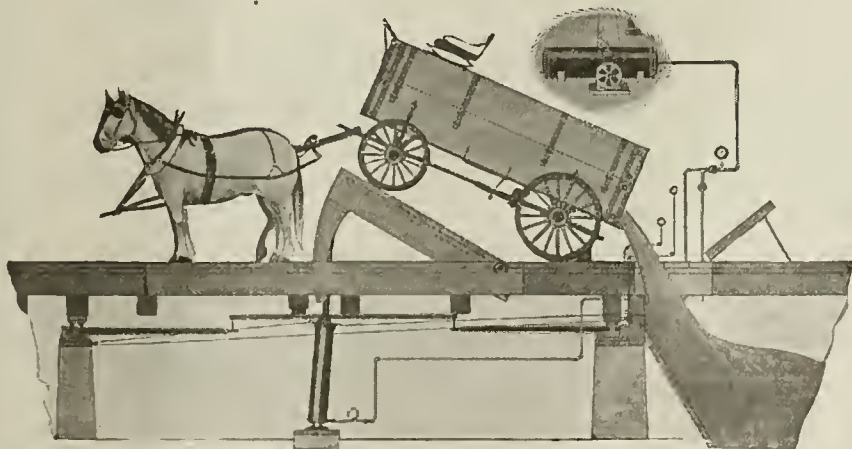
There has been a considerable decrease in the production of coal in the Kentucky mines for the first half of 1921. The total tonnage for that period was 13,782,872, a decrease of 29.23 per cent compared with the same period in 1920. During that time a total of 40,922 men was employed in and about the mines, and they worked from 23 days in the Fourth Inspection District to 65 days in the Sixth District. During the six months there were 70 fatal accidents, an increase of 13 over the first half of 1920.

Members of the Northwest Ohio Grain Dealers Association at a recent meeting held at Sherwood, Ohio, passed a resolution requesting the reduction of freight rates on coal. The resolution will be sent to the State Public Utilities Commission and to the Interstate Commerce Commission. Elevator companies from Sherwood, Jewell, Rudolph, Newton, Pulaski, Holgate, Haskins, Hicksville, Hamler, McClure, Grelton, Tontogany, Fayette, Grand Rapids, Deshler, Defiance, Ney and Toledo were represented at the meeting.

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3,185,876,000 Bus. Corn
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A GLOBE will not only make the handling of this tremendous amount of Grain a pleasure but it will insure you of your full share of this business.



Can be easily installed in any driveway or in connection with any make, type or size of scale.



Maintaining our standard of quality and service we consider a duty to our customers.

Do not delay to write us today for blue prints, literature and prices.

Manufactured by
Globe Machinery and Supply Co.
Des Moines, Ia.

FIELD SEEDS

(Continued from Page 334)

than that of last year and about one-third less than the five-year average.

A very satisfactory fall trade in the wholesale grass seed business is the way the outlook is characterized by S. G. Courteen, one of the old veterans in the Milwaukee seed trade. He declares that the stock of all the leading varieties of seeds is moderate and that no large supplies are pressing on the market.

Mr. Courteen says that the speculative market in Toledo for Red Clover seed has declined a little from the high point on account of the increased pressure from hedging sales. This was to be expected, he thinks, because the crop is now being marketed freely. Alsike and Timothy are both reported by Mr. Courteen, while Timothy has scored an advance during the last 10 days of about 40 cents per hundred on country lots. As for Bluegrass Mr. Courteen says the supply is light and the heavier qualities are hard to obtain.

Business very good, demand for seed fine, prospects are for six more weeks of active business, is the way the situation is sized up by the Kellogg Seed Company. A fair supply and a good demand is shown in the Red Clover market, the company reports. White Clover is said to be in small demand with the supply almost all taken over. Trade in Alsike is reported to be slow. The market for Timothy the company says, is considerably higher than it was 10 days ago and the demand is active.

Excellent business is also the word from the L. Teweles Seed Company. The outlook is said to be very bright for six weeks of good trade. Then the company says, there will be a lull, followed by increased trading after the first of the year. The Teweles company finds Red Clover is offered freely with prices at \$19 to \$20.50. Quality of seeds is said to be good with plants filling well after the rains. Estimates are made that the crop is about 40 per cent under that of last year.

White Clover is said to be almost all gone with prices ruling from \$33 to \$40. About 80 per cent of the Alsike has left the farms, the Teweles company believes, while the price is quoted at \$14 to \$16. As for Timothy the company says the market is stronger and demand is big, while yield may be 80 per cent short. The bulk of the output is believed to be moved. Prices are quoted at \$4.70 to \$5. Alfalfa is expected to be a good crop although it is too early yet to judge of the exact yield. Prices are put at \$15.

A rapidly moving trade and continuance of good business throughout October and November is the optimistic report of the North American Seed Company. The company points out the cheerful sentiment in the seed trade and the unusual condition that prices of seeds have been going up while the prices of grain have declined, and extraordinary condition. The strong seed market in the face of weak grain prices is said to be a sign that the seed market will continue to be independent, that prices will continue firm and that there is in fact every probability of seeds going still higher.

Offerings of Red Clover are reported to be of good volume with quality desirable and the demand strong with quotations at \$18 to \$20. White Clover is said to be almost all cleaned up with offerings light, quality very good and prices ranging from \$35 to \$42. Offerings of Alsike are good, demand is strong and the high grade goods are scarce bringing from \$14 to \$17. The market for Timothy is reported to be very strong with quotations up to \$4.25 to \$5.

Alfalfa is said by the North American Company

to be just started to come in from the Northwest, while receipts from Kansas were offered early. There is not much high colored Alfalfa offered, the supply being largely stained by rains. Demand is said to be fine for the high grade Alfalfa at \$18 to \$23. White Clover is reported firm at \$9 to \$11 and the crop is much shorter than that of last year, farmers grazing their fields instead of letting them stand for seed. A large demand is looked for soon.

SEEDS QUIET IN NEW YORK

BY C. K. TRAFTON

Striking irregularity and unsettlement have been the principal feature in the market for field seeds during the month, there being nothing particularly noteworthy to report in the way of business. In fact, the season is virtually at an end for many varieties, and hence no animation is expected for the next two or three months.

As far as price changes were concerned the feature was supplied by fancy Kentucky Bluegrass, which advanced about 5 cents during the month, with sympathetic advances of 3 to 4 cents in Canadian Bluegrass and 1 cent in fancy Red-top. There has been no particular activity in these varieties as buyers as a rule have refused to follow the advances. Hence the buoyancy has been traceable almost wholly to the fact that small crops have gone into strong hands. Moreover, the exports have been much larger, the month's total being about 2,150 bags, including 1,050 to the United Kingdom. Last month's total was only 268 bags.

Red Clover has also been strong, the domestic price advancing about 2½ cents. Holders have become decidedly strong in their views, believing that in the near future the price of domestic seed will rise to a parity with imported, which is quoted from 24 to 28 cents. They argue that the recent decline in western markets was due to forced selling on the part of many farmers and that prices will rally sharply as soon as receipts decrease. In the meantime they claim that foreign seed will probably remain steady to firm as offerings are small with French shippers asking 22 to 28 cents c.i.f. New York according to quality. Moreover, arrivals were much smaller during the month, about 1,540 bags, against 3,290 during August. As suggested in our last, there was an additional small arrival from Chile, 200 bags. No further business is looked for in that quarter as no more quotations are being received. In some quarters it is believed that Chilean shippers are finding it difficult to secure desirable seed to apply on their contracts.

About the only feature of interest regarding Alfalfa has been the appearance of a demand from Kansas for imported seed, which was somewhat surprising as prices in that quarter early in the season were below the foreign quotations. Hence the impression prevails that supplies in that section must be fairly well cleaned up. There has been no change as far as local prices are concerned, the range being 17@18 cents. Arrivals from Argentina were much smaller, only about 1,930 bags, against 3,100 during August. That coun-

try is still offering choice seed at 14½ to 15 cents, while French shippers quote 17 cents c.i.f. New York.

Comment is heard, as usual at this season, regarding the receipts of suggestions from France that they will be able to ship some Red Clover and Alfalfa to this country, despite all the early season claims regarding the lack of an exportable surplus.

White Clover has been easier, declining about 3 cents, largely because of the depreciation of the German mark, which has made it possible to buy good seed on a basis of 32@33 cents c.i.f. New York. Still, the arrivals remained small, only 200 bags, against 165 in August. Hence there has been no pressure of spot supplies, while demand has been fairly good.

Alsike has declined about 1 cent as the domestic season is over and there has been little doing for export, the month's clearances being only 325 bags. However, as the crop is light there are conservative traders who believe that the discount of about 4 cents on this variety as compared with Red Clover will be eliminated before long.

Timothy has gained about ¼ to ½ cents owing chiefly to much larger shipments to Europe, principally to the United Kingdom. The total for the month was 4,625 bags, compared with 800 during August. On the other hand, there has been little domestic demand and with supplies ample, the feeling prevails in some quarters that prices cannot be maintained, especially should there be any falling-off in the foreign inquiry.

Orchard Grass has declined about 1 cent; not a particularly severe loss in view of the decidedly large arrivals—12,068 bags, against 4,610 during August. Over 75 per cent of this total came from Denmark, including 7,822 on steamship *Oscar II* and 1,600 bags on steamship *Frederick VIII*.

Rapeseed has been without change of moment. Arrivals were larger, but local stocks were generally just about ample to meet the requirements. Total imports during September were 1,890 bags, against 1,070 in August. Included in the month's exports were 558 bags of Fescue to the United Kingdom. On the other hand, 219 bags were imported from New Zealand.

As the season has ended Crimson Clover has been dull and featureless. Prices are practically unchanged, although there were additional arrivals of about 1,480 bags—all from Germany, which compares with about 1,650 bags during August. Arrivals of Vetch were slightly larger: about 710 bags for the month, against about 665 in August, but the market has been without feature. Sunflower has ruled firm as demand has been sufficiently active to absorb all the arrivals, which were less than half of the total for August—6,965 bags, against 15,550. In fact, a shortage of supplies developed in some quarters. Among the month's arrivals were 200 bags of rye grass from the United Kingdom and 855 bags of Canary seed from Argentina.

The Mangelsdorf Seed Co.

Sweet Clover, Alfalfa,
Soudan Grass, Millet, Rape.

ATCHISON

KANSAS

Exporters.

Importers.

NUNGESSER-DICKINSON SEED
COMPANY

NEW YORK, N. Y.

Headquarters for
Imported Clover and Alfalfa Seeds

North American Seed Co.

Wholesale Grass and Field Seeds

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"THE HOUSE OF QUALITY"

SEEDS

Grain, Clover and Grass Seeds
CHAS. E. PRUNTY

7, 9 and 11 South Main St. SAINT LOUIS

WHITNEY-ECKSTEIN SEED CO.

Wholesale Seed Merchants

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BUFFALO, N. Y.

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We buy and
sell all varieties
of grass and
field seeds

The Albert Dickinson Co.
MINNEAPOLIS CHICAGO

For Sale**ELEVATORS AND MILLS****FOR SALE OR LEASE**

Modern grain elevator in good corn territory in red clay section of North Florida. Write to JEFFERSON COUNTY PRODUCTS COMPANY, Monticello, Fla.

FOR SALE

Grain elevator, warehouse, hay sheds. Capacity elevator, 40,000 bushels; a capacity warehouse and hay sheds for hay storage, 100 cars. Plant in good shape; fully equipped. For particulars, address A. H. BOWMAN & CO., 400 East Main St. Louisville, Ky.

PUBLIC SALE**FLOUR MILL AND GRAIN ELEVATOR**

Located in one of the best grain sections of Ohio, in county seat town on D. T. & I. R. R. with switching from the N. & W. R. R.

Capacity

Flour mill150 bbls.
Corn mill.....1,000 bus.
Grain storage 45,000 bus., 10,000 of which is steel.
Corn sheller1,200 bus. per hour.
Corn drier600 bus. per hour.
Unloading and loading capacity of elevator
.....1,800 bus. per hour.

Howe's Track Scales.

Large warehouse with facilities for loading two cars at once.

About two (2) acres of land.

Appraised at forty thousand dollars (\$40,000).

Time:—October 22nd, one o'clock P. M. at Waverly, Ohio.

Further information will be gladly furnished by FRANK W. MOULTON, Trustee, Portsmouth, Ohio.

MACHINERY**FOR SALE**

A 32-horsepower Fairbanks Engine. FRED CRAMM, Hutchinson, Kan.

FOR SALE

Pulleys, 1,000; all sizes, solid cast iron, wood and steel split. Elevator bolts and buckets and supplies. STANDARD MILL SUPPLY COMPANY, Kansas City, Mo.

**WANTED TO BUY
Wheat
Screenings****H. TULLING & CO.**

1825 S. Canal St., CHICAGO, ILL.

FOR SALE

A 100-horse Snow Crude Oil Engine. Best of condition. A. H. McDONALD, 544 W. Monroe St., Chicago, Ill.

FOR SALE

A 22-inch Robinson Single Runner Attrition Mill in good condition—run very little—belt drive. O. C. BOWERS & CO., Oklahoma City, Okla.

OIL ENGINES FOR SALE

60-horsepower Fairbanks-Morse.

50-horsepower Otto.

25-horsepower Fairbanks-Morse.

50 other sizes.

A. H. McDONALD, 550 W. Monroe St., Chicago, Ill.

BAGS**FOR SALE—BURLAP BAGS OF EVERY KIND**

New or second-hand, plain or printed with your brand; seamless cotton grain bags; sample bags; burlap, cotton, sheeting, or paper for car lining, etc.

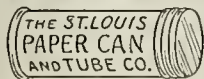
Wanted: Second-hand bags, best prices paid. WILLIAM ROSS & CO., 409 N. Peoria St., Chicago, Ill.

SITUATION WANTED**SITUATION WANTED**

Single man, age 40, ten years' experience as bookkeeper, wants work. Prefers small town; moderate salary. LOCK BOX 507, Decatur, Ill.

**FOR ACCURATE
MOISTURE TESTS**

Use Our Grain Dealers Sample Cases

**St. Louis
Missouri****Hunt Coupling for Controlling the Stretch
of Manila Transmission Ropes**

Ask for Descriptive Catalog M-15-1
C. W. Hunt Co., Inc., West New Brighton, N. Y.

Fabricated Steel Products

TANKS
STACKS
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CORRUGATED SHEETS
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Mail us sketches
or blue prints for
prompt estimates.

THE SYKES CO.

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**Miscellaneous
Notices**

[Copy for notices under this head should reach us by the 12th of the month to insure insertion in the issue for that month.]

WANTED

To hear from owner having elevator, mill or other property for sale. Give cash price and particulars. JOHN J. BLACK, Chippewa Falls, Wis.

**LUMBER AND SHINGLES AT REDUCED
PRICES**

Farmers' trade our specialty. Best quality. ROBERT EMERSON COMPANY, Box 1156-A, Tacoma, Wash.

FLOUR AND MILL FEEDS

Mixed cars of flour and mill feeds in 100-pound sacks are our specialties. Would like to send you a trial order to convince you of the superiority of our products. ANSTED & BURK CO., Springfield, Ohio

WANTED

An experienced salesman familiar with grain handling machinery to represent an old established grain machinery manufacturing firm in Illinois territory. Good proposition to the right man. MACHINERY, Box 5, care AMERICAN ELEVATOR AND GRAIN TRADE, 431 S. Dearborn St., Chicago, Ill.

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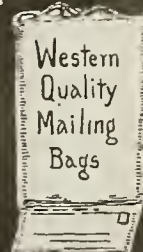


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CEDAR RAPIDS, IOWA.

Cedar Rapids Grain Co., grain merchants.*
King-Wilder Grain Co., buyers and shippers.*

CHATTANOOGA, TENN.

Harbin, A. D., hay, grain and mill feeds.

CHICAGO, ILL.

Armour Grain Co., grain buyers.*
Bache & Co., J. S., grain, seeds, consignments.
Bailey & Co., E. W., commission merchants.*
Bartlett Frazier Co., receivers and shippers.*
Dickinson Co., Albert, seeds.
Dole & Co., J. H., commission merchants.*
Freeman & Co., Henry H., hay, straw, grain.*†
Gerstenberg & Co., grain and seeds.*
Harris, Winthrop & Co., grain, stocks, bonds.*
Hitch & Carder, grain commission.*
Hoit & Co., Lowell, com. grain, seeds.
Hulburd, Warren & Chandler, com. merchants.*
Illinois Seed Co., seed merchants.
Lamson Bros. & Co., commission merchants.*
Leland & Co., E. F., grain and seeds.*
McCarthy Bros. Co., grain commission.
McKenna & Dickey, com. merchants.*
Miller & Co., Albert, hay and produce.†
Norris Grain Co., grain merchants.*
Paynter, H. M., grain commission.
Pope & Eckhardt Co., grain and seeds.*
Quaker Oats Co., wheat, corn, oats, barley, rye.
Randall & Co., T. D., hay and straw.
Rosenbaum Grain Co., J., shippers.*
Rumsey & Co., grain commission.*
Sawers Grain Co., grain commission.*
Schiffin & Co., Philip H., com. merchants.*
Shaffer, J. C., & Co., grain merchants.*
Updike Grain Co., consignments.
Wagner & Co., E. W., receivers, shippers.*
Wegener Bros., grain commission.*

CINCINNATI, OHIO.

Bender, A., grain, hay, mill feed.*†
Brouse-Skidmore Grain Co., rec. & shipper.*†

CLEVELAND, OHIO

Cleveland Grain & Milling Co., receivers and
shippers.*†
Shepard, Clark Co., grain merchants.*†
Strauss & Co., H. M., hay, grain, seeds.*

CRAWFORDSVILLE, IND.

Crabbs-Reynolds-Taylor Co., grain, seeds.*†
*Members Grain Dealers' National Association.

DENVER, CO.

Ady & Crowe Mercantile Co., grain, hay, beans.*†

DECATUR, GA.

Baldwin & Co., H. I., grain, hay, beans.*†
Dewein-Hamman Co., grain, hay, beans.*†

DES MOINES, IOWA.

Des Moines Elevator Co., grain mer-
chants.*
Mid-West Consumers' Grain Co., grain merchants.*
Taylor & Patton Co., grain, hay, beans.*†

DETROIT, MICH.

Dumont, Roberts & Co., grain, hay, beans.*†

DULUTH, MINN.

White Grain Co., grain and hay, beans.*†

GREENSBORO, N. C.

Moon-Taylor Co., grain, feed and hay brokers.*†

INDIANAPOLIS, IND.

Boyd Grain Co., Bert A., grain, hay, beans.*†
Hayward-Rich Grain Co., corn and broker-
age.*
Kinney, H. E., Grain Co., grain, feed.*†
McCardle-Black Co., grain, corn.*
Steinhart Grain Co., grain, corn.*
Urmston Elevator Co., grain, feed.*†
Witt, Frank A., grain, feed and brokerage.*

KANSAS CITY, MO.

Davis Grain Co., A. C., grain, feed.*†
Moore-Lawless Grain Co., grain, feed.*†
Moore-Seaver Grain Co., corn and hay.*
Peppard Seed Co., J. G., alfalfa, millet.*

LIMA, OHIO.

Hurley Buchholtz Co., wholesale grain, hay, straw.*†

LOUISVILLE, KY.

Edinger & Co., grain, hay, feed.*†

LITTLE ROCK, ARK.

Wilson Co., Jno. R., corn, oats, mill feeds.*

LYNCHBURG, VA.

Moon-Taylor Co., grain, feed and hay brokers.*†

MEMPHIS, TENN.

U. S. Feed Co., receivers and shippers.*

MIDDLEPOINT, OHIO.

Pollock Grain Co., wholesale grain, hay, beans.*†

MILWAUKEE, WIS.

Bacon Co., E. P., grain commission.*
Blanchard Grain Co., grain merchants.*
Courteen Seed Co., seeds.
Donahue-Stratton Co., buyers and shippers.*
Franke Grain Co., receivers and shippers.*
Kamm Co., P. C., grain merchants.*
La Budde Feed & Grain Co., wholesale feed, grain
hay.
Milwaukee Seed Co., seed.*
North American Seed Co., seed.*

MINNEAPOLIS, MINN.

Cereal Grading Co., grain merchants.*
McCaul-Dinsmore Co., com. merchants.*
Quinn, Shepherdson Co., grain merchants.*

NEW BERN, N. C.

Meadows, J. A., buyer, hay, grain and feed.*†
†Members National Hay Association.

NEW CASTLE, PA.

Hamilton Co., grain, feed, flour, hay, potatoes.*

NEW YORK, N. Y.

Forbell & Co., L. W., com. merchants.*
Nungesser-Dickinson Seed Co., seeds.
Power & Co., W. D., hay, straw, produce.†

NORFOLK, VA.

Moon-Taylor Co., grain, feed and hay brokers.*†

PEORIA, ILL.

Bowman & Co., Geo. L., grain commission.
Dewey & Sons, W. W., grain commission.*
Harrison, Ward & Co., receivers and shippers.
Luke Grain Co., grain commission.*
Miles, P. B. & C. C., grain commission.*†
Mueller Grain Co., receivers and shippers.*
Turner-Hudnut Co., grain commission.*

PHILADELPHIA, PA.

Delp Grain Co., E. E., grain commission.*
Miller & Sons, L. F., receivers and shippers.*†
Parker Commission Co., grain and general freight
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Richardson Bros., grain, flour, mill feeds.*
Young & Co., S. H., grain, flour and feeds.*

PITTSBURGH, PA.

Allen & Co., H. S., grain, feed.*
Foster Co., C. A., wholesale grain, hay.*†
Geidel & Leubin, buyers and shippers, corn and
oats.
Harper Grain Co., grain commission.
Herb Bros. & Martin, grain and hay.*†
McCague, R. S., grain and hay.*†
Stewart Co., Jesse C., corn, oats, rye, mill feed.*
Walton Co., Saml., grain, hay, mill feed.*

RICHMOND, VA.

Moon-Taylor Co., grain, feed and hay brokers.*†

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Aeme Hay and Mill-Feed Co., mill feeds, tankage.†

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Goffe & Carkener Co., grain, hay, seeds.*†
Graham & Martin Grain Co., rec. exclusively.*†
Langenberg Bros. Grain Co., grain com.*†
Marshall Hall Grain Co., receivers, shippers and
exporters.*
Nanson Commission Co., receivers, shippers.*†
Picker & Beardsley Com. Co., grain, hay.*†
Prunty, Chas. E., grain and seeds.*
Toberman, Mackey & Co., grain, hay, seeds.*†
Turner Grain Co., grain commission.*

SIDNEY, OHIO.

Wells Co., J. E., wholesale grain, seed.*

TIFFIN, OHIO.

Sneath-Cunningham Co., grain and seeds.*

TOLEDO, OHIO.

De Vore & Co., H. W., grain, seeds.*
King & Co., C. A., grain and seeds.*†
Raddatz & Co., H. D., grain, seeds.*
Southworth & Co., grain and seeds.*†
Wickenhiser & Co., John, grain dealers.*
Zahm & Co., J. F., grain and seeds.*†

TOPEKA, KAN.

Derby Grain Co., wheat, oats, corn.*

WINCHESTER, IND.

Goodrich Bros., wholesale grain, seeds, hay.*†

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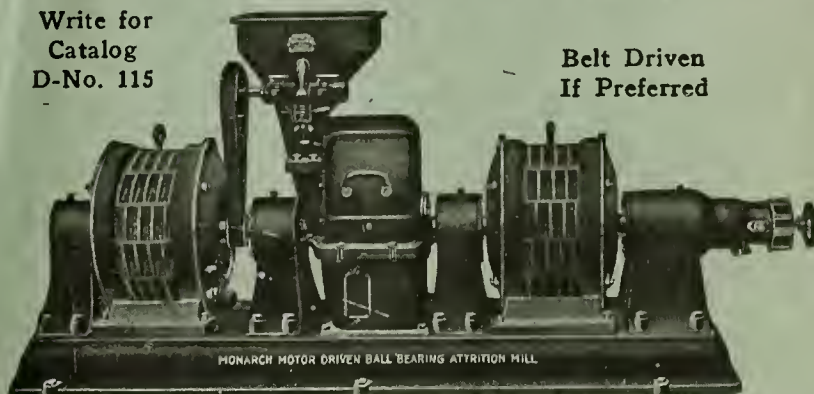
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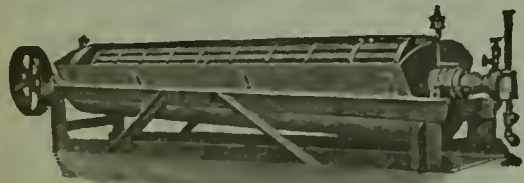
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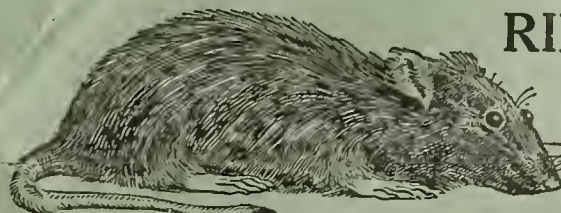
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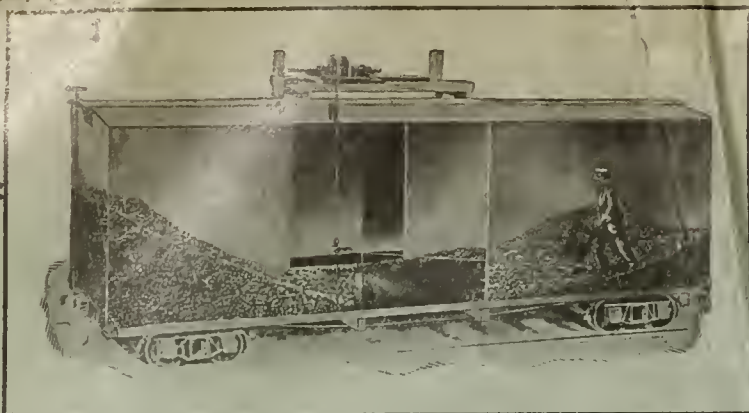
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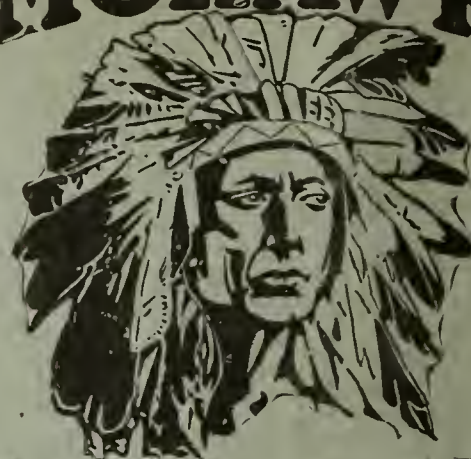
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